

# The NATIONAL UNDERWRITER

*Life Insurance Edition*

**"THIS YEAR, LET'S PAY THE BONUS  
IN WAR BONDS**



**... and drive even harder on the pay-roll savings plan!"**

Make War Bonds the Christmas Order of the Day. Urge your workers to make their personal Christmas gifts in the form of War Bonds—and practice what you preach! Make this a 100% War Bond Christmas—to insure future Yuletides of peace and prosperity.

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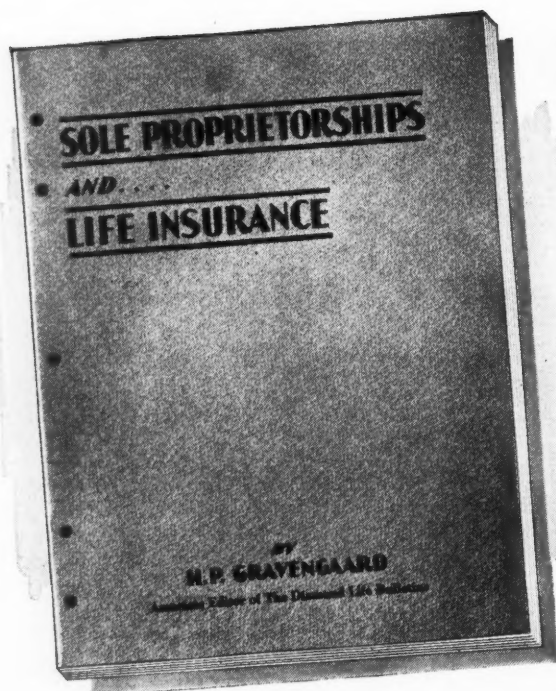
*Well, you're the man to stoke it!* You can't expect it to keep running indefinitely on last summer's enthusiasm. See to it that your participation percentages, and your deduction percentages, *both* end up the year at new levels.

• Every month, now your Pay-Roll Savings ought to run well ahead of the preceding month. *For so many families that formerly depended on the earnings of a single worker, now enjoy the combined earnings of several.* Such family incomes are doubled, trebled, even multiplied many times.

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**FRIDAY, DECEMBER 24, 1943**



*Pushing to the Front!*

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Associate Editor of The Diamond Life Bulletins

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NAME \_\_\_\_\_ TITLE \_\_\_\_\_

COMPANY \_\_\_\_\_

STREET ADDRESS \_\_\_\_\_

CITY AND STATE \_\_\_\_\_



## Fidelity Mutual Has Retirement Plan for Agents

**Does Not Affect Com-  
missions; Provides for  
Older Producers**

Fidelity Mutual Life has announced its plan for providing full-time agents and managers with retirement benefits. President E. A. Roberts stated that the company has been working on the program for some time in order to give its agents an added financial incentive to stay with the company on a career basis. There is no change in present commissions, either first year or renewal.

The program includes contributory retirement benefits related to insurance written after Dec. 31, 1942, and certain retirement allowances to be provided entirely by the company with respect to insurance written prior to Jan. 1, 1943, for the veteran agents and managers. Membership in the plan is voluntary.

### Basis of Qualification

To qualify, an agent or manager must be active on a full time basis, be under 61 when he enters the plan, must have been under a full time contract for at least a year, and must have commission earnings in the preceding calendar year of at least \$500 if under contract one to two years, \$900 if under contract two to three years, and \$1,200 if for more than three years.

An agent or manager may come under the plan on the Jan. 1 immediately following the date on which he elects in writing to participate and meets the qualifications. If eligible for 10 years without entering the plan he will be ineligible if 55 or over. The retirement date is the Dec. 31 nearest the member's 65th birthday, but if he has completed 15 years of membership in the plan the company may permit retirement between 60 and 65, the benefit being modified by the lesser contributions. The member receiving benefits under the contributory plan may continue to act as an agent or manager, though there will be no further contributions by either company or members on business written after retirement benefits begin.

The member will start Jan. 15 following retirement receiving a monthly life annuity, the amount being the sum of the annuities purchased by the yearly contributions of member and company. A regular life annuity without refund at death generally will be provided, but the member may elect to take an equivalent joint and last survivor annuity for self and wife. Or, on the portion of the retirement benefit purchased by his own contributions he may elect an equivalent cash refund annuity.

### Contributes 3% of Earnings

The agent or manager will contribute 3% of his first year and renewal commission income, including over-ridings, if any. The maximum contribution in any year will be \$150, which is 3% on \$5,000 of earnings. The company contributes an amount equal to the member's contribution. A member may contribute an additional 2% of com-

(CONTINUED ON PAGE 9)

## Endorse Adam Rosenthal for N. A. L. U. Trustee

ST. LOUIS—Adam Rosenthal, St. Louis manager for Acacia Mutual Life, has been unanimously endorsed for the trustee position that is becoming vacant in the National Association of Life Underwriters.

His nomination was submitted to President H. A. Hedges of the N. A. L. U. by a committee of St. Louis leaders. Mr. Rosenthal has been endorsed by the Life Underwriters Association and the General Agents & Managers Association of St. Louis, by the Missouri State Association of Life Underwriters and by the local associations at Kansas City, Columbia, Joplin, Springfield and Sedalia.

When one of the present trustees is named N. A. L. U. secretary to take the place of W. W. Hartshorn, who became ineligible to continue in office by reason of being named to a home office position with Metropolitan Life, there will be a vacant trustee position.

### Was on Pittsburgh Slate

At the annual meeting in Pittsburgh this fall the nominating committee got Mr. Rosenthal's consent to be included in the slate of trustee candidates presented to the national council. At the last moment the nominating committee found that it had only six names to offer for the six positions on the board and the constitution requires that the committee present at least seven names. Hence Mr. Rosenthal was drafted. It was recognized that he probably would not be elected at that time but his friends felt that this would put Mr. Rosenthal on deck for a future call.

The St. Louis committee consists of Glen McTaggart, Prudential, and Lester S. Becker, Lincoln National, co-chairmen; Rex Jeffrey, Pacific Mutual Life, and James G. Callahan, Metropolitan Life, former secretary of N. A. L. U.

### Rosenthal's Association Activities

The committee points out that Mr. Rosenthal has been a member of the St. Louis association 17 years and for the past 10 years attended every annual and mid-year meeting of the N. A. L. U. He has filled every office of the St. Louis association including that of president and continues to serve as a director. He is a past president of the General Agents & Managers Association, and is presently a member of the executive committee. He is vice-president and program chairman of the Missouri state association. He is a past national committeeman. He was a member of the executive committee which arranged for the N.A.L.U. golden anniversary convention at St. Louis. He is presently a member of the national membership committee and is regional chairman for five states. He has addressed every local association in Missouri and a number of others throughout the middle west and south.

The committee points out that St. Louis has not been represented on the N. A. L. U. board for the past 10 years with exception of the one-year term served by Gale Johnston, now a vice-president of Metropolitan Life.



Adam Rosenthal

## Eminent Actuaries Named Advisers on Service Cover

WASHINGTON—To discuss with him "actuarial policies and problems in connection with the government's life insurance program" under National Service Life for members of the armed forces, Brig. Gen. Frank T. Hines, administrator of veterans' affairs, conferred here with a newly appointed advisory committee of actuaries officially characterized as "men outstanding in the life insurance field."

The Veterans Administration stated that the following nationally prominent life insurance officials have patriotically consented to serve on the veterans administration actuarial advisory committee: H. R. Bassford, actuary of Metropolitan Life; William Breiby, vice-president Pacific Mutual Life; Valentine Howell, vice-president and actuary of Prudential, and Ray D. Murphy, vice-president and actuary of Equitable Society.

Gen. Hines announced that "applications for almost \$100 billion of National Service Life Insurance have been received from members of the armed forces serving in the present war."

"This is a sum which exceeds 70% of the total amount of life insurance now outstanding in private companies in the United States," the Veterans Administration said.

## Sale of Illinois Bankers Life Stock Is Delayed

The sale of stock of Illinois Bankers Life did not take place in the court of Circuit Judge Miner in Chicago, Tuesday, as scheduled, because on the previous day the Illinois appellate court had issued two supersedeas orders staying execution of Judge Miner's decree of sale. Instead of a sale, Judge William Brothers, acting for Judge Miner, entered an order continuing generally the time of sale pending disposition of the appeal.

The appellate court issued two orders of supersedeas, one in behalf of the Hugh T. Martin estate which is owner of 1,600 shares of the stock which is now represented by Attorney E. A. Zimmerman and the other in behalf of the A. W. Sawyer estate, owner of 400 shares and represented by Attorney Leslie Vogel. Judge Miner had fixed the amount of the appeal bond for the Martin estate at \$400,000 and that for the Sawyer estate at \$100,000, but the appellate court set each of the bonds at \$5,000. The Martin bond was issued by Maryland Casualty and the Sawyer bond by Columbia Casualty.

### Motions in Circuit Court

Prior to going before the appellate court, Mr. Zimmerman made a motion before Judge Miner for a stay of judgment and also presented a petition for a compromised judgment under which the Martin estate would receive one-third of the proceeds of the sale of stock net and not less than \$500,000 in any event but Judge Miner denied both of these.

The appellate court supersedeas order for the Sawyer estate is broader than that for the Martin estate and Attorney Charles O. Rundall, who was appointed as a special commissioner by the court to supervise the sale, expressed some concern as to how his position is thereby affected.

Attorneys were present representing various prospective buyers. David F.

## O'Mahoney Holds Forth Again This Week Against Bill

**Harlan Justice Opposes  
Bailey-Van Nuys Measure  
—I. U. B. Subject Covered**

WASHINGTON—After a further presentation by Senator O'Mahoney, Wyoming, and testimony of Harlan Justice, deputy insurance commissioner of West Virginia, in opposition to the insurance anti-trust exemption bill, the Van Nuys Senate judiciary subcommittee adjourned Tuesday for the holidays, subject to call of the chairman. Senator Van Nuys said that his subcommittee will hold further hearings, but he did not know who would testify. Commissioner Sims of West Virginia had been scheduled by Senator Kilgore of that state to testify Tuesday, but did not appear.

At the outset O'Mahoney stated he had intended to present a witness representing small insurance companies and also to submit an analysis of exhibits filed with the committee. O'Mahoney said Edward T. Moran, Jr., Rockland, Maine, resident vice-president of Central Surety, had been invited, but could not obtain transportation reservations. However, he presented a written statement from Mr. Moran, which was put into the record. The senator summarized Mr. Moran's conclusions as follows, substantially:

1. Unless and until sufficient reasons shall make an exception, the insurance business should operate under free competition and enterprise.

2. No sufficient reasons have been shown to make such exception.

3. Even if good reason were shown, the privilege of monopoly should be accompanied by rate regulation by publication, "which does not now generally exist."

4. Passage of the pending bill would "release to prey upon the public with Congressional sanction, an unregulated monopoly."

Mr. Moran is not listed as an officer of Central Surety. He is president of the E. C. Moran Co., Inc., of Rockland, representing Camden, Central Surety Fire, Employers Fire, Old Colony, Fitchburg Mutual, Maine Mutual, Union Mutual Life, Central Surety and Maryland Casualty.

### Former Congressman

O'Mahoney said Mr. Moran was formerly a member of Congress from Maine.

O'Mahoney said he had been unable to prepare the analysis above referred to, but he wished to mention a few points which, he said, were clearly illustrated

(CONTINUED ON PAGE 8)

Broderick of Detroit, chairman of Dearborn National, the fire insurance company, president of Dearborn National Casualty, and head of D. F. Broderick & Co., was in court accompanied by Attorney Ferre Watkins of Chicago. Mr. Broderick has been considering the possibility of submitting a bid.

It is understood that the appellate court will move this case ahead so as to give a decision as soon as possible. Of course the possibility remains of a further appeal to the state supreme court.

## House Committee Debate on Insurance Bill Lively

### Rules Body Fails to Give Green Light But Hope Still Exists

WASHINGTON—"It is perfectly apparent the committee will report this rule," remarked Representative Cox of Georgia as the House rules committee adjourned a hearing Dec. 15 on requests for a special rule to give legislative priority to the House judiciary committee bill to exempt insurance from the anti-trust laws. Chairman Sabath of the rules committee, however, remarked that several more speakers wished to be heard and that the committee would next take up for consideration aviation legislation.

Representative Sumners, Texas, judiciary committee chairman, left the hearing still forecasting an eventual rule. Among prospective witnesses before the committee on the insurance proposal was Representative LaFollette, Indiana.

Judge Sumners suggested that the proposed special rule provide for not less than four hours debate. Other speakers supporting the rule included Representatives Hancock, New York, co-sponsor of the exemption bill, and Gwynne, Iowa, judiciary committee member and of its special subcommittee on the bill.

On the other hand, Representative Russell, Texas, spoke against the rule as a signer of the judiciary committee minority report against the bill. He announced that Representatives Celler and Byrne, New York, also minority report signers, wished to be heard before the committee.

#### Sabath Recalls Failures

As the hearing opened Sabath said there is competition in commissions paid agents and Sumners said there was competition also in service. Sabath said that in a "short investigation" made by him several years ago he found 42 small insurance companies "were destroyed." (Apparently he was referring to life company receiverships during the depression.) He asked Sumners if he had given consideration to such a situation. Sumners replied that in "straightening things out" the states "can do a good job." He admitted he was not up on details of the insurance business and would not assume to tell the committee how it is managed.

"You think the interest of the public has been and will continue to be safeguarded?" asked Sabath.

"The power to safeguard it is possessed by the states," Sumners answered.

When Sabath asked about the Department of Justice action, Sumners said: "There is an attempt to prosecute a group of companies for violating the anti-trust laws. A federal judge dismissed the proceeding. It is appealed to the Supreme Court to decide whether or not insurance is commerce."

#### Claims Interference with Court

Sabath said he realized Congress could pass legislation, but added that the courts also have certain jurisdiction. He suggested that if the insurance bill is passed Congress might be interfering with court procedure and raised the question what effect such action would have, whether Congress would not be charged with "trying to do the things the courts were charged with doing" some time ago.

Cox asked if Congress does not take action in this case the court may "expand its power."

Sumners directed attention to the judiciary committee report statement that the bill "is not designed to interfere with the court proceeding. That is a declaration of legislative purpose," he added. "Nobody I know of thinks it would interfere with determination by the court."

"The bill shows to my mind the direc-

tion in which public thinking is running," remarked Cox.

Sumners said the bill represents the "concern of people trying to get legislation through so that if the Supreme Court holds insurance is commerce, then there would not be a chaotic condition in the insurance business. Many insurance companies operating under state laws would be violating the anti-trust laws," he added.

"I think it would be taking powers away from the court," declared Sabath.

"Under the Constitution, has not Congress the right and duty to legislate?" asked Rep. Hamilton Fish, New York.

"The Supreme Court has been given the right to pass on legislation," Sabath insisted.

"If you could get the bill out so that we could act on it before the Christmas recess," suggested Sumners, tentatively.

#### Others Want to Be Heard

"That would be impossible," replied Sabath. "I have talked with the speaker and majority leader. I know what the program is. A good many people want to be heard on this matter."

Sumners told the committee that in many states the insurance interests set up boards of control which require the same rates to be charged and that companies do business in the same way; that they shall put aside certain funds, and otherwise regulate the business within the state. Such organizations are encouraged by state policies, he added. If the companies would abide by anti-trust laws, if applicable to them, he said, they would violate state laws.

"Does that mean the states have authorized procedure contrary to the anti-trust laws?" asked a committee member.

"States have approved methods not in accordance with anti-trust laws," Sumners admitted.

Representative Michener, Michigan, a committeeman, said he had heard a "main objection" that insurance compa-

nies enter into agreement to divide the country up into regions for which they fix rates. He admitted that states have plenary powers to regulate, but said that it is contended that if a state passes regulatory laws not in keeping with the rules of insurance companies, then the latter withdraw from that particular region, "which they have a right to do," he added. If a state wants protection of insurance companies for its citizens, Michener charged, "it is forced to pass regulations as the companies dictate." If that is true, he added, that is a reason why there should be fair regulation, if the state has power, but he suggested it may have the "ambition and desire, but not the power."

Judge Sumners countered with a statement that 20 or 30 years ago the Texas legislature passed a law requiring insurance companies doing business there to invest a certain amount in Texas securities. "The big life insurance companies pulled out of Texas," he continued. "The people there organized companies of their own, fire and life, which made good investments for the people of our communities. The big life companies several years later came back into the state. That illustrates what the states can do." Sumners said that "insurance companies are very much like the railroad companies. In their nature, they could not stand unlimited competition."

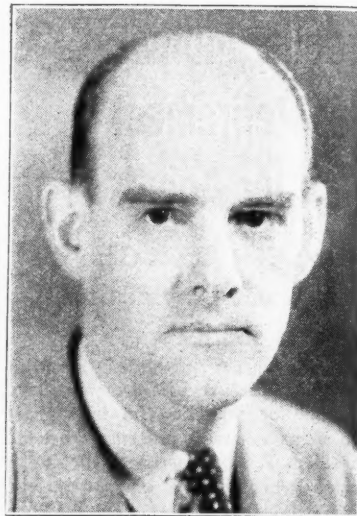
#### CITES NRA BLOWUP

Appearing in opposition to a special rule, Representative Russell said he owns stock in two small insurance companies. He compared the pending legislation to NRA which the Supreme Court knocked out several years ago. If the insurance exemption bill is passed, he predicted, it would injure not only 130,000,000 Americans, but the insurance companies themselves. The Supreme Court follows the will of the people as voiced in the last election, Russell declared.

Russell said that friends of the pending insurance bill do not distinguish between interstate and intrastate regulation. Sixteen states have no regulation of insurance, he added.

"Don't you think the people want to

### Bankers Life Advertising Manager Has Resigned



JOHN H. MCCARROLL

John H. McCarroll, manager of the advertising department of Bankers Life of Des Moines since 1928 and member of the advertising department for 19 years, will leave that company Jan. 1 to move to Wickenburg, Ariz., where he has purchased a weekly newspaper. His successor with Bankers Life has not been announced.

hold onto home rule?" asked Rep. Cox. Russell admitted that perhaps federal interference has gone too far, but charged that the state's rights principle is being used in the pending instance "to bring about hysteria."

Cox suggested the legislation is proposed because Congress and the country have "lost faith in the Supreme Court." Russell referred to "clamor of the insurance companies to be relieved from an anticipated ruling" by the court. He added he had been dissatisfied with many rulings of the court, but that "the legislative branch is attempting the same thing, in principle, now" in the pending bill.

"Is it not unusual that insurance companies, under a long line of decisions, should come in here for this legislation?" asked Rep. Clark, North Carolina.

Russell described the pending proposal as an attempt "to do now by the legislative branch what the court did several years ago"—referring to the Supreme Court having overruled acts of Congress. He charged that the committee was being asked "as a special favor" to the insurance interests to give a green light to the bill.

#### Not Rubber Stamp Body

"This committee is no rubber stamp body," declared Rep. Cox.

"I am neither for nor against the insurance companies," said Rep. Smith, Virginia, "but I am interested in protecting states' rights. Is an insurance contract a transaction in interstate commerce?"

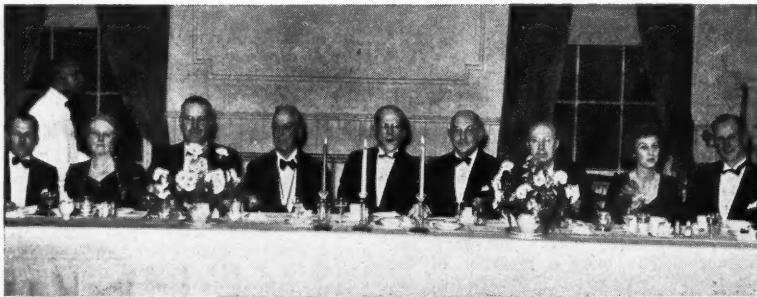
"It certainly would not be interstate commerce, if taken by itself," replied Russell. "That was the only question decided in Paul vs. Virginia. That particular transaction did not bring the matter into interstate commerce. Over 20 states have anti-trust laws based on trade and commerce. They hold insurance companies come under them."

"Suppose an insurance company in Texas did business only there," said Smith, "there would not be any question it is not in interstate commerce. Suppose it is incorporated in New Jersey and still does business only in Texas?"

Russell answered that in the latter case it would not come under state law. "The Southeastern Underwriters Association operates in many states and

(CONTINUED ON PAGE 7)

## General Agent for 50 Years Is Honored



Frederick A. Savage, New England Mutual general agent in Baltimore since 1893, was given a testimonial dinner by his associates and friends on the 50th anniversary of signing his contract. Dean of all New England Mutual general agents, he is the only one who has served in that capacity for half a century.

Mrs. Helen Tall spoke on behalf of the agency associates when the candle-topped anniversary cake was placed before the guest of honor. Paul Shields presented Mr. Savage a suitcase from the agency force. Albert W. Moore, Philadelphia general agent, representing the company's General Agents Association, gave Mr. Savage a wrist watch in recognition of his long career and his service as president of the association in 1906-1907.

Russell Law, president of the Baltimore Life Underwriters Association, and Clayton Demarest, Jr., president of

the Baltimore General Agents & Managers Association, brought messages from their respective organizations.

Charles F. Collins, agency secretary, represented the home office and brought cordial personal greetings from President George Willard Smith, Vice-president George L. Hunt, Agency Director Wm. Eugene Hays and many other Boston friends. J. Franklin Weaver, associate general agent, presided in the absence of Mr. Savage's partners, F. A. Savage, Jr., who is director of the Rainbow Corners Club of London, the largest Red Cross recreation center in England, and Maj. Maynard C. Nicholl, now in the army.

The picture above shows (left to right) Clayton Demarest, Jr., Mrs. Savage, Albert W. Moore, Mr. Savage, J. Franklin Weaver, Charles F. Collins, Earle W. Sapp, general agent in Washington, D. C.; Mrs. F. A. Savage, Jr., Russell Law.



## High Court to Decide Equitable Society Tax Issue

WASHINGTON—The U. S. Supreme Court Monday announced it would review to a limited extent the record in *Equitable Society vs. Commissioner of Internal Revenue*. Writ of certiorari was granted but limited to the second question presented by the society:

If the latter is not entitled to a reserve deduction claimed under section 203 (A) (2) of the revenue act of 1932, on its income taxes for 1933, then, "is it entitled to a deduction under section 203 (A) (8) of that law "in the amount of the 'excess interest dividends' paid within the taxable year, pursuant to the provisions of its supplementary contracts not involving life contingencies as well as the deductions allowed below for guaranteed interest paid on such contracts?"

The company is appealing from decision of the second federal circuit court of appeals affirming with modification a decision of the U. S. board of tax appeals.

The Supreme Court announced transfer of this case to its summary docket, which means that it proposes to limit arguments on it to 30 minutes, instead of an hour, on each side.

### Treatment of Excess Interest

Under the 1942 revenue law, the question of tax treatment of interest payments, whether under contracts involving life contingencies or not is clearly established. Each company is permitted to use an interest deduction factor that represents the aggregate of the industry, including all interest paid, at the guaranteed rate and excess.

Under the old law, the question of the treatment of excess interest has been obscure and there have been a variety of decisions. In the *Equitable* case it appears that it is established that *Equitable* is not entitled to the 3 3/4% interest deduction allowed on reserves in connection with interest payments under supplementary contracts not involving life contingencies and the question to be decided is whether *Equitable* is entitled to a deduction for excess as well as guaranteed interest, under the heading of interest paid.

The court adjourned until Jan. 3 and is expected to hear arguments on the *Southeastern Underwriters* and *Polish National Alliance* cases not long after the holidays. Both involve the question whether insurance is interstate commerce, the former with relation to the anti-trust law and the latter with relation to the national labor relations law.

## Two Officials Named by Guardian Life

Guardian Life of New York has appointed G. T. Conklin, Jr., assistant to the president and R. V. MacKay, assistant counsel. Mr. Conklin has been with the investment department since 1939. Before that he was vice-president of an investment counsel firm in New York City. He graduated from Dartmouth in 1936, took graduate work at Amos Tuck College of Business Administration & Finance, receiving his M.C.S. degree in 1937. In 1938 he studied at New York University, Columbia University and the new School for Social Research. He received his Ph.D. degree in economics from New York University this year and is now studying for his doctor of social sciences degree in economics.

Mr. Mackay has been with Guardian's law department since 1940. He was previously with a New York City law firm. He received his B.S. degree from Columbia in 1932, his law degree from Co-

## High Honors for Mrs. Leanora Licht



Mrs. Leanora B. Licht, associate general agent of the M. T. Ford agency of Equitable Society in New York, celebrated her 34th anniversary with the agency Nov. 1. A campaign was inaugurated in her honor running to her birthday. Almost 100% of the agents participated and completed 122 applications for \$700,000 of new business. A 60% increase in applications and paid volume over November, 1942, was attained.

The campaign ended with a dinner tendered in honor of Mrs. Licht. John A. Silver, assistant manager of the agency, acted as master of ceremonies

and proposed a toast to Mrs. Licht as the "first lady" of life insurance, for during her association with the agency \$250 million of new insurance was paid for, with over \$9 million in premiums. During the past 20 years, because of Mr. Ford's absence, Mrs. Licht has acted as general agent.

Vice-president William J. Graham, Dr. Robert M. Daley, medical director, and Stuart Monroe of the legal staff paid tribute to Mrs. Licht. Joseph L. Berger spoke in behalf of the agents and Jeff Shor for the office staff. The three leading producers were Joseph L. Berger, Max Kurz and Gustave Oberdorfer.

In the picture are shown Dr. Daley, A. A. Licht, Mr. Graham, Mrs. Licht, Mr. Silver and Mr. Monroe.

## "Lived Too Long"

The policyholder wrote to our agency cashier that he had always had good service from the Company, but that he was upset and disappointed that he had ever bought this policy—because now he had lived too long.

He said that he had put several thousand dollars into the O. L. contract over a period of some 30 years and now he was going to lose all his money because he was unable to work any longer and was going into a fraternal society home, therefore could not go on paying premiums.

Our cashier answered by telling him of the policy values and options, and it was arranged to use the proceeds to provide a joint and survivorship income for him and his wife.

Now in the home, he writes letters saying thanks for the monthly income check of \$20. He always points out that the income check means the difference between existing and living. He would have the home and food anyway, but the insurance check gives him some money of his own, buys him his smokes, papers, and an occasional show, etc. He is grateful that the policy provides these things for him as well as the protection he had received during 30 years.

\*\*\*

### THE PENN MUTUAL LIFE INSURANCE CO.

WILLIAM H. KINGSLEY  
Chairman of the Board

JOHN A. STEVENSON  
President

INDEPENDENCE SQUARE, PHILADELPHIA

## Memorandum on Pension Trusts by Special Committees

Special committees, representing the National Association of Life Underwriters, American Life Convention, and Life Presidents Association, have been conferring with representatives of the Treasury Department in an attempt to reach a clear understanding of the new pension trust regulations, T. D. 5278. There follows a memorandum of the information developed by informal discussion held on Dec. 14. This memorandum has been prepared by the special committees and the conclusions expressed are their sole responsibility. It has no official status. Nevertheless, it is hoped that it may serve as a guide to home offices and agents in matters relating to pension trusts.

In view of the volume of work now before the pension trust group, income tax unit, bureau of internal revenue, it is suggested that any questions which may arise concerning this or previous memoranda of pension trust discussions should be addressed to the Association of Life Insurance Presidents, 165 Broadway, New York.

In the following, all sections refer to sections of the internal revenue code unless preceded by the number 29, in which case they refer to sections of Regulation III.

III. Meaning of Items Required by Section 29.23(p)-2.

10. It will facilitate the examination of established plans if, in connection with the information required by section 29.23(p)-2, some explanation be given of the progress that is being made in liquidating the cost of past service benefits. In particular, if the cost of past service has been entirely funded, that fact should be brought out.

VI. Qualification of Plans Under Section 165(a), Including Integration with Social Security Act.

19. In the case of established group annuity contracts, if the oldest-first method of applying past service premium payments was adopted prior to Sept. 1, 1942, and if the employer has paid past service premiums totaling at least 30% of the single premium cost of all past service benefits, computed as of the date of the adoption of such benefits, it is understood that the oldest-first basis of allocation may be continued without question as to the possibility of its discriminatory results.

### Munsick Now Bank President

George Munsick, formerly financial secretary of Connecticut Mutual Life, has been elected president of the Morristown Trust Co., Morristown, N. J.

He was at one time with the bond department at the home office of Prudential.

### Paul vs. Virginia Cited in Xmas Greeting

A plaintive poem on Paul vs. Virginia constitutes the unusual Christmas greeting which Henry S. Moser, Chicago attorney, has gotten out for his friends in the business. Mr. Moser signs his melodic effort "Paul V. Virginia, by Henry S. Moser, attorney-in-fact." Following is the greeting:

Tell me not, in mournful numbers  
I am but an empty dream!  
Slowly dying—in my slumbers,  
And no longer what I seem.

I was real! I was cited!  
Often by our highest court;  
I was followed and respected,  
Yea, your citadel and fort.

Now I'm dicta, to our sorrow,  
Ill-begotten—so they say;  
You'll be commerce on the morrow  
Freedom gone! Oh, rue the day.

'Ere I go,—My time is fleeting,  
And now soon I'll be no more,—  
May I whisper: Christmas Greeting,  
And a Happy Forty-Four!

## Prudential's San Francisco Agencies Consolidated

Effective Jan. 1 Prudential's ordinary agencies for San Francisco and 19 other northern California counties will be consolidated in the San Francisco agency under the management of Clifford Henderson. The Golden Gate ordinary agency under Manager A. C. Williamson is to be discontinued and the business transferred to Mr. Henderson's management. Mr. Williamson becomes assistant manager under Mr. Henderson.

## Bankers of Ia. Wisconsin Rally

The four Wisconsin agencies of Bankers Life of Iowa will hold a combined meeting Jan. 7 in Milwaukee. Home office speakers will include W. F. Winterle, director of agents; M. E. Lewis, superintendent of agencies; and G. A. Harper, assistant superintendent of agencies. About 60 Wisconsin agents are expected to attend.

## Two More Join A.L.C.

Union Mutual Life and Missouri Insurance Company have joined the American Life Convention, bringing the total of member companies to an all-time record of 188. This compares with a total of 172 at the beginning of the year.



A STUDENT ARTIST WAS ONCE SKETCHING A LANDSCAPE THAT WAS BATHED IN THE GLORY OF THE SETTING SUN. IN THE FOREGROUND STOOD A LARGE BARN.

HIS TEACHER watched him as he worked on the picture, and then said: "If you spend so much time painting the shingles on that barn, you'll never have time to do the sunset. You will have to make a choice between the two."

THE SHINGLES MUST BE PAINTED. That is true. The humble, common, routine duties which constitute so much of life must be carried through. But one must be careful lest these things take up so much of life, that there isn't time for sunsets, time for reflection, for reading, for enjoying home, family and friends.

MY WISH FOR ALL OF YOU as we move into another new year is that there may be more time for sunsets—without neglecting the job of daily shingling. Let's not become so engrossed in painting the shingles in our picture of life that when we have finished there is neither time nor energy nor state of mind in which to enjoy the sunset.

PAUL SPEICHER  
Managing Editor  
**THE INSURANCE  
RESEARCH & REVIEW SERVICE**  
INDIANAPOLIS

## Insurance Will Ask for 40-Hour Week in Chicago

A general meeting of about 250 representing all fields of insurance in Chicago met there Monday to hear a report of the industry subcommittee that has discussed application of the 48-hour week to the insurance business with Dean W. H. Spencer, regional War Manpower Commission director. The subcommittee approached Mr. Spencer with a 40-hour week in mind, and the indication is that insurance offices will ask for that kind of a work week.

Chase Smith, Lumbermen's Mutual Casualty, chairman of the industry committee and member of the subcommittee, said that members of the latter told Mr. Spencer the situation in the insurance business, pointing out that a large percentage of the employees are women with home duties, exempt under the provisions of the 48 hour week order; that the employment is of a technical nature, making it extremely difficult for one employee to undertake the duties of an employee in another department, and that because of the necessity for accuracy, time lost in a long work week through locating errors might produce a net loss in time.

## Asks Total Number Employed

Mr. Spencer indicated that the WMC would prefer to work through an organization representing the whole industry, such as the insurance business apparently had got together. He asked how many are employed in insurance in the Chicago area, but members of the subcommittee replied that they could only guess.

The committee this week is gathering figures on the number of employees and other information and then will make a presentation to the WMC so that a set of general principles can be evolved. This was suggested by Mr. Spencer.

Members of the subcommittee were asked what contribution they felt the insurance business could make to the war effort with respect to labor. They replied that the business already has lost many employees to the armed services, and most of those employees who could or would enter war industries already have been attracted there by high wages and for patriotic reasons. Replacements have been made largely with women.

## Must File Individual Application

The WMC has no authority to issue a blanket exemption for the industry, R. M. Clark of Continental Casualty and Continental Assurance said. Each individual establishment will have to file its own application. But if the industry can work out with the WMC a set of general principles, this would save WMC considerable time in handling individual applications, which must be in by Jan. 16 if a divergence from the 48-hour week is desired.

Walter M. Sheldon, W. A. Alexander & Co., president of the Chicago Board, also spoke briefly. Messrs. Smith, Clark, Sheldon and C. H. Smith, Hartford Fire, compose the subcommittee.

The general committee will meet Dec. 28 to prepare its presentation, which will be made a day or two thereafter to Mr. Spencer and Lester Brown, area manpower director.

## Another General Meeting

Another general meeting will be held a week or so before Jan. 16 and results of conferences with WMC reported. Offices will then have time to make their individual applications with WMC before the deadline.

The filing of a petition before Jan. 16 asking a 40-hour week will operate as a stay, and the office can continue on its present basis after Jan. 16 until the WMC either grants the petition or denies it. Some offices operate less than 40 hours. Employers were advised to include only salaried employees, not sub-

## Hettich Made Head of Commonwealth Agency



H. M. HETTICH

F. M. Hettich, manager policyholders service department in the home office of Commonwealth Life of Louisville, has been appointed manager of the home office agency of the ordinary division. The home office agency has taken new and larger quarters at 582-88 Starks building.

Mr. Hettich, who is a native of Louisville, is a graduate of Centre College and the Jefferson Law School, being a member of the Kentucky bar. He entered life insurance with Commonwealth Life in 1937, after having spent five years with the Federal Land Bank of Louisville. During his six years he has served successively as assistant to the president, claim manager, personnel director and manager of policyholders service.

## J. S. Myrick Addresses Albany General Agents

ALBANY, N. Y.—Current income and estate tax conditions must not be allowed to set a precedent for the future, J. S. Myrick, second vice-president Mutual Life, warned the Albany General Agents & Managers Association. He urged the members to "start talking with their legislators right now so that there may be no misunderstanding whatever when this war is over."

Pointing out that under today's income and estate tax laws a man must earn \$85,000 a year and live on \$16,300 of it to leave a net estate of \$100,000 for the security of his family ten years from now, Mr. Myrick added:

"If we are to have the four freedoms outlined in the Atlantic charter, we must have a fifth and basic freedom—freedom of enterprise—the God-given right to work, to save, to provide for one family and for one's self. There can be no freedom of enterprise, however, under an oppressive tax policy, which in effect kills the initiative and incentive which freedom of enterprise inspires."

agents or brokers. However, salaried employees such as special agents who do not work in the Chicago area but who report to a Chicago office, would be included. It was also suggested that an office representing several companies should file one application as a group office.

Milwaukee is in the same region as Chicago, and the Chicago committee plans to confer informally with the insurance industry committee from that city. However, this would simply be for the purpose of trading information and ideas.

## Employees Have Greater Voice in Group Cover

Although there appears to be a tendency on the part of labor unions and employe groups to exert an influence on group insurance arrangements, a number of group insurance specialists say that there is less of a tendency or desire on the part of the unions either to form underwriting corporations of their own or to seek to take the place of the employer as the contracting party. The union people want to have a voice in the group insurance arrangements and they are being consulted to an increasing extent.

There have been some recent cases in which the employers in a certain industry, through an association, have agreed to provide group insurance on a stipulated basis, as part of their contract with the union. Insurance companies are increasingly getting inquiries from unions as to whether this or that company has opened up the question of group insurance or whether any figures have been submitted to them.

There was a time when unions were seeking to become the contracting party, but there have been developments that have made such an arrangement unsatisfactory. If the union is the contracting party and the employer is not contributing to the cost, then the unions have to look to the dividend from the insurance company to keep the cost to the employee down to what it would be if the employer were the contracting party and were making a contribution to the premium. Particularly if accident and sickness and hospitalization insurance is carried, the dividends are disappointingly small, from the union and employes standpoint. The loss experience in group insurance under these coverages has increased very sharply and in a number of cases the losses are exceeding 100% of the premium. Group insurance people expect that there will be a rate increase in these lines next year. They point out that already in Canada there has been an increase in rates of about 15%. Moreover the employes become conscious of the fact that a great deal of the group insurance today is on an employer-pay-all basis and they may feel that if the union were not the contracting party the group insurance might cost them nothing.

## Brackets Bartending, Insurance

Albert E. Mielenz, veteran general agent at Milwaukee for Aetna Life, had a letter printed in the Milwaukee "Journal" the other day, taking that publication to task for this reference in a draft story: "The men, all of whom have been in non-essential work, such as selling insurance, tending bar and the like had been given a reprieve by the board prior to Nov. 20."

Mr. Mielenz expressed surprise that the Milwaukee "Journal" would place selling insurance on the same level as tending bar.

"A man or woman in the insurance business," he wrote, "is not in one of the defensible occupations as regards the draft, but most of them have B or C gasoline cards to carry on their work. Men and women in the life insurance section of the insurance business have done a tremendous job in the sale of war bonds for the defense of our country."

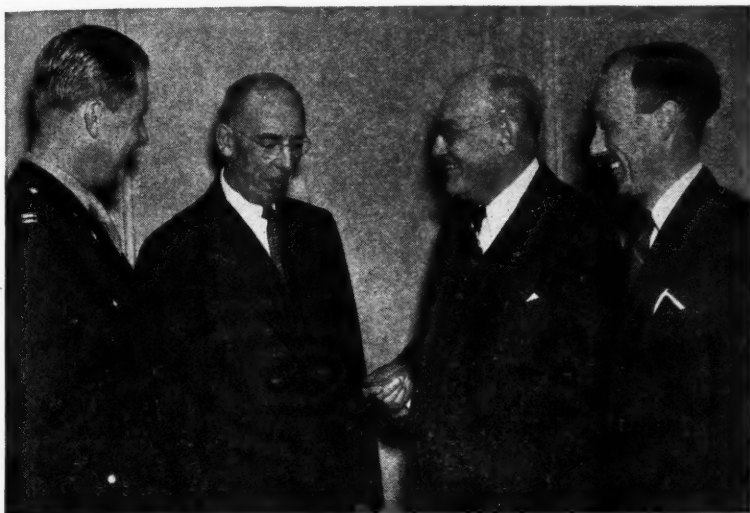
## Pension Trust Bill Signed

WASHINGTON—One of the first bills signed by President Roosevelt upon his return here was H. R. 3363, which extends from Dec. 31, 1943, to Dec. 31, 1944, the time limit within which pension trust plans may be amended to comply with the requirements of the law and internal revenue regulations.

B. J. Harrill is in charge of handling pension trust plans under the income tax division, internal revenue department.



## Service Award Presentation



Albert A. Wert, production manager of New England Mutual's Harrisburg agency, having completed 36 years' association with the company, receives from Charles F. Collins, home office agency secretary, the first of the regular checks that will henceforth come from

the company as a past service award. At the left is Capt. W. B. Wagner, general agent, now in the army, and, at the right, Associate General Agent Fred A. Lumb. Also present at the testimonial dinner were 11 members of the sales organization and their wives.

### Life Companies Assailed by Canadian Politician

A vitriolic attack on life insurance in Canada has been launched by Lloyd Shaw, national research director of the C. C. F. party, third leading political party in Canada and second in Ontario, which is threatening to become a serious factor in next year's federal election.

According to newspaper accounts Shaw, in an address in Halifax, charged that "through monopolistic agreements" between firms and with "monopolistic control over the economy of Canada through the power of their investments," insurance companies are making the public pay "two to three times the cost which they should pay for insurance."

He said "wasteful and expensive competition" in sales and lack of competition in price, "unnecessary" chains of agencies and high salaries paid executives are factors in the high charges for insurance. He charges that by interlocking directorates they also control many other "monopolistic big businesses," thus giving them "economic dictatorship."

Directors of Sun Life, he said, are directors of 93 other companies. Canada Life directors, he said, hold directorships in 59 other corporations.

He said the C. C. F. wanted both banks and insurance nationalized. Insurance then could be sold through the banks, thus eliminating the heavy overhead cost.

He said C. C. F. investigation had revealed that it was against the law for an insurance agent to tell a man how to get life insurance cheaper from one company than from another, and also that "if any insurance agent takes his contract to a lawyer to have it explained to him it becomes null and void." He charges that life insurance company employees are "among the worst exploited of business workers."

### Statement Form in South Africa

THE NATIONAL UNDERWRITER has received a letter from G. H. Hansmann of South African National Life of Cape Town, who states that he noticed in THE NATIONAL UNDERWRITER reference to a proposed new annual statement form for life insurance companies. Inasmuch as the South African companies are presently giving attention to the same problem, he asked that a specimen copy of the proposed United States form be sent to him.

### Cincinnati Bank Boosts Insurance in Its "Ad"

The Fifth-Third Union Trust Co. of Cincinnati, in its newspaper advertising, frequently endorses life insurance and the service of the agent. A current advertisement reads: "Larger taxes require more life insurance. The severe increase in income and estate taxes probably means that you need more life insurance to offset your inability to save as much as you had planned, and to provide an estate adequate for your family's need in years of high taxes and living costs, to provide your estate with additional cash to pay the large estate taxes; lacking cash, your estate might have to sell assets at a heavy sacrifice."

"Your life underwriter and officer of our trust department will be glad to help you make wise plans in this important matter."

### Travelers Calendar Economizes

The Travelers calendar this year, which again features Currier & Ives prints, embraces several wartime economies. The binding strip was eliminated, thus saving about 10 tons of metal. There are six sheets printed on two sides, instead of 12 sheets on one side. That saves several freight car loads of paper.

### Must Watch Tax Changes

MEMPHIS—Troy Beatty, vice-president First National Bank, stressed the importance of a carefully drawn trust to meet ever changing tax laws before the Memphis Quarter Million Dollar Round Table, advising agents to confer with a trust expert always in such matters. Stressing the difficulty of accumulating large estates through ordinary methods, Donelson Lake, Equitable Society, said that in New York a citizen has to earn \$87,000 a year for 10 years to leave his family \$100,000 net.

### Jeff. Standard Men on Tour

O. P. Schnabel, San Antonio manager of Jefferson Standard Life, was host to H. P. Leak, secretary; Carlyle Gee, assistant secretary, and John Barrier, manager of the mortgage loan department, and the local agency force at a luncheon. The home office men had previously visited the Houston agency and were to visit agencies in Fort Worth, Dallas, Memphis and Atlanta.

A  
Very  
Merry  
Christmas  
to  
All



The  
**NATIONAL LIFE  
AND ACCIDENT  
Insurance Company, Inc.**



HOME OFFICE NATIONAL BLDG.  
NASHVILLE TENNESSEE

## THE SHACKLES ARE BREAKING

THE GREATER DESTINY  
of tomorrow is in  
our hands

Now—more than ever—  
must we strive un-  
ceasingly to finish  
the job

Now—more than ever—  
must we SAVE and  
LEND for

# VICTORY

\$420 Millions has been invested by the Sun Life of Canada—on behalf of its one million policyholders—in Government Bonds of the United States, Canada and the British Empire, including \$284 Millions since the beginning of the war.

## SUN LIFE OF CANADA

### Savings Banks Issuing Life Insurance in Mass. Can't Loan to Officers, Employees

BOSTON — Commissioner Harrington has sent a communication to the 30 or more savings banks in Massachusetts which are issuing banks for savings bank life insurance stating that section 29 of chapter 186 of the statutes "proscribes" mortgage loans to officers and employees of such banks.

"Trustees, even though not members of the investment committee, may not be recipients of this type of loan," the communication states. "It is imperative that all banks adhere to this law, immediately correcting any existing divergence."

The law states that officers and trustees "who are entrusted with the investment of the funds of the savings banks" may not secure mortgage loans from their own bank. The bank commissioner of Massachusetts had interpreted the law to permit making mortgage loans to such trustees as are not on the investment committee, and there are many such loans outstanding.

The statutes relating to savings banks also further stipulate that the assets of the savings bank life insurance department of such banks shall be "invested in the same manner as the other assets of the bank."

Although it is understood Harrington's communication was sent only to such banks as issue life insurance, the wording of his letter is so general that it has led to the impression that it might apply to all savings banks in the state. Inasmuch as the savings banks of the state are under the control of the bank commissioner and the investment of their funds covered by the banking statutes, Harrington's interpretation is in direct conflict with the interpretation and practice of the banking department. It is understood the bank commissioner was not officially notified of Harrington's action.

### Snow Is Mid-Year Chairman

Tower C. Snow, general agent Penn Mutual Life, has been named general chairman of the Buffalo committee in connection with the mid-year meeting of the National Association of Life Underwriters to be held in Buffalo, March 23-25.

### Three Zones in Mass.

To assist local associations in their activities, President Corydon L. Litchard of the Massachusetts Association of Life Underwriters has divided the state into three zones. Mr. Litchard, who is Springfield general agent of Massachusetts Mutual, will have charge of the western group; William H. Nolet, Worcester manager of Metropolitan, will supervise the central group, and John O. Bogardus, Boston manager of Union Mutual, will be in charge in the eastern zone.

### Aetna Life First Aid Booklet

An attractive new booklet, "First Aid to the Injured," has been prepared by the safety education department of the Aetna Life companies.

Prepared with the cooperation of the company's medical department, the booklet concisely lists the symptoms of the more common types of injuries and gives brief, easy-to-follow first-aid suggestions. The booklet is printed in pocket size, and the suggestions covered are listed alphabetically for convenience.

### Texas Chambers Endorse Bills

The chambers of commerce of Dallas and Houston have endorsed the Bailey-Van Nuys bills and sent telegrams to this effect by each chamber to the Texas senators and congressmen.

Chauncey S. Carpenter, formerly agent for Northwestern Mutual Life in Milwaukee before entering the army three years ago, has been promoted to major. He is stationed at Sacramento.

### 39% Gain in Ordinary for Nov.; 10% for 11 Months

The Sales Research Bureau reports \$645,275,000 of ordinary sales in November, an increase of 34%, and \$6,614,063,000 for 11 months, a 10% gain over the 1942 period.

For November the Pacific area increase, 61%, was the largest. The mountain region increased 48%, west north central 42%, and south Atlantic 40%. For 11 months, the mountain area showed a 24% gain, Pacific 17%, south Atlantic 15%, and west north central 13%.

For 11 months California had an increase of 20%; Illinois, 7%; Iowa, 20; Massachusetts, 5; Michigan, 7; New Jersey, 5; New York, 9; Ohio, 6; Pennsylvania, 8; and Texas, 8.

### Swartz Heads Toronto Chapter

Calvin K. Swartz, Imperial Life, has been elected chairman of the Toronto C. L. U. chapter. Vice-chairman is Ian Armour, Aetna Life; secretary, J. J. O'Grady, Confederation Life.

### Nashville Chapter Elects

Ferrell Shipp, Fidelity Mutual, has been elected president and L. D. Cruze, New York Life, secretary-treasurer of the Nashville C. L. U. chapter. A school to begin early in January has been announced. Dr. Lowe Watkins of Vanderbilt University will be the teacher.

### H. T. Burnett Speaks at Detroit

H. T. Burnett, vice-president of Reliance Life, was the guest of honor at the annual Christmas party of the Detroit branch and its manager, Ray Wertz. The party followed a sales meeting at which Mr. Burnett and several members of the agency force spoke.

### Provident L. & A. Xmas Luncheon

CHATTANOOGA — The annual Christmas luncheon of Provident Life & Accident was held with Bart Leiper, publicity director, as toastmaster and President Robert J. Maclellan as chief speaker. It was pointed out that more than half of the male employees are now in the armed service. There were 275 guests.

### Witherspoon Tenn. Bond Chairman

E. T. Proctor, Northwestern Mutual general agent, Nashville, has resigned as state chairman for the war bond drive. John A. Witherspoon, John Hancock Mutual, past president of N. A. L. U., succeeds him. Mr. Proctor will continue as general chairman for Nashville and Davidson county.

### Group Cover in Union Pact

The new union contract between the Solar Manufacturing Company of New York and United Electrical Radio & Machinery Workers of America includes group insurance benefits for the 2,500 employees in the Bayonne and West New York, N. J., plants. The employer has agreed to pay the premium for the first month of the contract which begins Jan. 1 and thereafter will pay 75%. The group life, accident, sickness and surgical benefits cover is underwritten by John Hancock Mutual while the hospitalization plan was underwritten by the Blue Cross.

### Rochester Agents Donate Blood

The Life Underwriters Association of Rochester, N. Y., is pressing its drive to sign up 100% of eligible members for Red Cross blood donations before Jan. 1. A canvass of 43 offices has brought a steady flow of donors.

The underwriters' committee is headed by Charles Schaaf of Massachusetts Mutual, who is also city vice-chairman of the blood donor service.

Dr. H. E. Bogart, 47, assistant medical director of New York Life, died at his home in Mount Vernon, N. Y. Dr. Bogart graduated from Cornell University and Cornell Medical School.

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PACIFIC MUTUAL  
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**PACIFIC MUTUAL'S  
"AMBASSADORS  
OF GOODWILL"**



Most Pacific Mutual Plans major in Living Insurance benefits. Therefore, many Pacific Mutual policyholders become beneficiaries under their own insurance—usually as recipients of Accident or Sickness benefits for temporary disability. That's one reason why so many policyholders are enthusiastic "Ambassadors of Goodwill" for Pacific Mutual and its coverages. Another reason is—smooth, cooperative service between home office and field, with policyholder satisfaction as the big objective.

**PACIFIC MUTUAL LIFE INSURANCE COMPANY**  
HOME OFFICE: LOS ANGELES, CALIFORNIA

WAR BONDS FOR THE QUICK VICTORY • LIFE INSURANCE FOR THE LONG FUL



## House Committee Has Spirited Debate on Insurance Bill

(CONTINUED FROM PAGE 2)

fixes rates in a number of states?" asked Clark.

"Yes," Russell replied.

"If that is true that is the cartel principle," remarked Rep. Michener.

When Russell was asked if he was satisfied with his state regulation of insurance, he replied: "I am not satisfied with the way they carry on. I am satisfied the state can, in a measure, so far as intrastate matters are concerned, regulate them." He added Texas has the "strictest regulation of any state," but that he was not satisfied, "except as applicable to intrastate business." He referred to going to the state legislature and to "lobbies they have there," which would have to be "overcome," he said, "to bring about proper regulation." Russell said he had been approached by a representative of insurance interests who told him that 90% of the Texas insurance business was handled by out of state companies.

"We have had democratic administrations in New York for 20 years," stated Fish, "and their insurance commissioners have handled that work in excellent manner, without criticism. The state is doing well as it is and don't want to be regimeted by the federal government."

"What right would the states get they do not now have, under this bill?"

"None," Russell admitted. Referring to the small business committee hearings, he said that law violations "were admitted there." He took issue with the claim that if insurance is held interstate commerce it would violate state laws.

"If the insurance companies, through combination, are looting the public and violating legislative restraints, the government, through the Department of Justice, ought to have the right to step in and challenge them in the courts?" Cox asked.

### Protecting the Public

"Yes," said Russell, "in defense of the people, because the department is the only agency to protect the public."

"That is a pretty serious charge," interjected Fish. "Give us proof."

"I believe there is something behind the Southeastern Underwriters case that required action," replied Russell. He charged that New York authorities found that certain companies did not accurately report losses paid, compared to premiums received, and that report of \$16,500,000 profits was withheld.

"I think all the companies are reaping unconscionable profit at the present," declared Cox.

"No question about exorbitant profits," agreed Russell.

"If profits are so big why don't we get larger dividends on policies?" another committeeman asked.

"My observations apply more particularly to fire and casualty," Cox explained.

Russell referred to companies in other states doing business in Texas making "separation agreements."

### Convicting on Surmises

Summers answered that the state could control such matters by canceling licenses to do business within its borders. "Insurance commissioners have full power to grant or not grant," he asserted. "You can't convict people on surmises."

"You say that for years insurance companies questioned jurisdiction of the states?" asked Sabath.

"They claimed their business was interstate commerce," said Russell. "They did not want state regulation; that they would have to comply with 48 different laws and regulations. Their lawyers argued they would rather have one set of laws of the federal government."

Russell told of his experience as a judge in Texas, when, he said, he had many insurance cases, but that the companies asked removal of many of them to the federal courts. "Whether this bill is passed, the Supreme Court will

protect state's rights," he predicted, and will be bound to hold insurance is intrastate business.

"Suppose they do that," asked Clark, "and Congress takes no action, then would you have only state regulation of insurance, but a federal statute saying they should not violate the anti-trust laws?"

"Yes."

"Does the bill give the states additional power, or take any away?" asked Sabath.

### ARE THEY BUREAUCRATS?

"No." Russell went on to say that under the Hancock-Walter bill "we are just saying that we don't like bureaucrats." The state insurance commissioners, he added, are bureaucrats.

Cox referred to a fear among people of federal control and bureaucratic domination. He declared the public is concerned and wants to reclaim some powers taken over by the federal government and to reinstate local self government. "This bill is a move in that direction," he asserted.

"If we are going to do that and lessen powers under the interstate commerce clause," asked Clark, "would it not be more constitutional to start by modifying the definition of interstate commerce, rather than exempt a great business from the law?"

### The American Way

"You may be doing injury to countless thousands of people," replied Russell. He said that much of his life's savings were put into insurance companies and when asked why, if dissatisfied with the management of the insurance business, he said "I am not dissatisfied."

Summers told the rules committee the pending bill would not affect cases in the Supreme Court. In reply Russell forecast that if the bill becomes law before the court passes upon these cases, they would be dismissed by the court on the ground that there would be no law against the offenses charged. "Are you going to convict men of criminal acts there when there is no law against acts committed?" he suggested.

"I agree with your position," said Cox.

"If the Department of Justice is right, let them have their day in court," said Russell. "That is the American way. If they are not right when they go before that tribunal they will stand to fall."

Sabath referred to business done in this country by foreign insurance companies. When it was estimated that there are 65,000,000 life policy holders, Fish remarked "there must be 100,000,000 in fire."

Russell predicted that "if this special interest can get immunity" it would be impossible to tell how far the effect would be upon other special groups seeking relief. He stated he wanted the insurance companies to make a profit, to protect their policy holders. "It is the greatest business in the world," he added.

"They have great power," Sabath declared.

Rep. Hancock, New York, spoke briefly in support of the request for a rule on his bill. Denying there was politics behind it, he pointed out it was introduced also by Rep. Walter, also that both the Republican and Democratic national platforms declared for state regulation of insurance.

### Proscribed As Criminals

"They did not recommend exemption from the anti-trust laws," remarked Clark.

"It's tantamount to the same thing," answered Hancock, and called attention that the governors or insurance commissioners of every state endorsed the bill.

"We are not changing the law," he declared, but trying to maintain it.

"If we don't do anything with this bill we don't change anything," suggested Sabath.

If the court should "change the law," Hancock declared, there would be a serious situation. The companies would be "proscribed as criminals for maintaining non-competitive rates," he added. The states require rate fixing by bureaus. Insurance is different from other business; it is not a commodity, Hancock pointed out.

"Do Americans pay 15 or 20% more for insurance than in other countries?" Sabath asked.

"Insurance rates are based on experience over a period of years," said Hancock. "That is why we have these rating bureaus."

Cox brought out that the judiciary committee vote was 17 to 4 in favor of reporting the insurance bill.

"If the legislation is not passed and if the court reverses present holdings and determines insurance is interstate commerce," said Rep. Michener, "then

the federal government would naturally come to control regulation of insurance, which would be made uniform throughout the country. If this were carried out as along other lines there would be set up an agency in Washington similar to the state agencies. It would have to make estimates of rates to be charged in the states just as the Interstate Commerce Commission regulates interstate freight rates."

"That is right," agreed Hancock. "Rates would have to be uniform." He recalled that when the Sherman anti-trust act was under consideration for passage it was stated in the Senate that insurance was not interstate commerce.

Fish suggested that was a declaration of legislative intent of Congress.

"Is there any doubt the Supreme Court may decide for the government?" asked Michener.

"There is danger," said Hancock. He stated companies are being prosecuted for maintaining uniform rates and obeying state laws. "If the government wanted to reverse settled law," he demanded, "why did not they do it in a decent way, through injunction proceedings? If the court holds insurance is commerce, then it lies in the power of Congress to set up a vast bureau."



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**UNION MUTUAL**  
LIFE INSURANCE COMPANY

Portland **MAINE** Home Office



He said an amendment had been suggested to make the bill apply only to future cases, but pointed out that one Congress could not bind another Congress.

"If this should become law before a decision is reached the court could not render judgment," said Clark. "Would that be true as to all acts up to now? A long line of decisions seem to protect the insurance companies."

"Yes," Hancock agreed.

Rep. Gwynne, Iowa, expressed the hope a rule would be granted. In spite of the public policy adopted and the court decisions, he said, "the attorney general claims insurance is interstate commerce. We are here to reaffirm the policy Congress has heretofore pronounced that insurance is not interstate commerce."

#### No Mass Demand of People

"Have you heard of any mass demand of the people to change that policy?" Fish asked.

"No. It is the duty of the court to interpret the law, not to determine policy."

"This act would not bind the court, but it should have a persuasive effect," remarked Cox.

"If we think insurance should be regulated by the federal government Congress should pass special legislation," said Gwynne.

"There is some question in my mind as to the power of the states effectively to regulate large insurance companies,

as a practical matter," remarked Clark. "The insurance companies proceed on the theory of 'divide and conquer.'" He suggested Congress might "pass a law giving the companies what they want, provided they comply with state laws."

This suggestion was not taken up publicly by the rules committee. When the hearing recessed last week it was with the understanding that no further proceeding before the rules committee was scheduled until after the holidays.

At the second hearing last week before the Senate judiciary committee on the bill, the story of the successful fight of the Insurance Brokers Association of Illinois to extinguish the rule of the Chicago Board of Underwriters that commissions might not be paid to non-members of the board was related by Attorney Thomas C. McConnell of Chicago, counsel for the brokers' association.

E. L. Williams, president of the Insurance Executives Association, also testified and gave a different version of some phases of the fight. For the most part the testimony added but little to the accounts of the fight as it was printed at the time.

The Insurance Brokers Association of Illinois is the only insurance organization in the country, so far as is known, that has expressed opposition to the states rights legislation. Directors several weeks ago adopted a resolution against it but a number of leaders charged that this resolution was railroaded through with Mr. McConnell

exerting considerable influence. On Tuesday afternoon of this week a meeting of the entire membership of the brokers association was held in Chicago to discuss the issue.

## O'Mahoney Holds Forth Again

(CONTINUED FROM PAGE 1)

before the committee. He referred to a recent announcement that the New York commissioner had served notice on certain insurance companies to show cause why their rates in that state should not be reduced.

O'Mahoney also cited and quoted copiously from a report under oath by Examiner Sidney H. Marks to the New York commissioner. The senator considered it significant that the commissioner's action had followed publication by the judiciary committee of "some of the forms by the insurance companies to agree among themselves with respect to the government of insurance."

O'Mahoney said the latest New York examiner's report referred to, together with a report submitted and discussed during the previous testimony of E. L. Williams, president, Insurance Executives Association, show that for over two years the New York insurance department has been investigating various insurance companies' acts whereby, the senator charged, "They regulate the insurance business in the interstate field." Mr. Williams had insisted that was not correct and testified that the I. U. B. had been set up at the request of the National Association of Insurance Commissioners.

#### National Debt and Revenue

O'Mahoney referred to the general situation as regards taxation, the national debt and revenue, but did not say insurance companies are responsible.

"Would you carry that out to the extent of federal control?" Austin asked.

"You can not protect local self government if you withdraw federal power from the field granted it," O'Mahoney replied. "Will the I. U. B. move in and take that function away from us?"

"The logic of what you say is against the principle for which you say you stand," remarked Austin. "When dealing with insurance you are in the realm of economy. You are undertaking to say if self-government is permitted in economic matters there will be a mistake as the government is now regulating its revenues. I don't think your argument applies."

Senator Kilgore went to O'Mahoney's rescue with a suggestion that local self-government must be gotten by means of stepping across state boundaries when business goes over state lines.

#### Interstate Government

"The remedy," said O'Mahoney, "is not to wash our hands of responsibility within the realm of the constitution. Our remedy is to strengthen the hands of state and local governments. While Congress is being asked to withdraw from the field of interstate business the insurance companies have set up an interstate insurance government so great, powerful and complicated, that the state of New York, after investigating for two years, just now is calling upon insurance companies to show cause why their rates should not be reduced."

"You are painting a rather distressing picture," remarked Van Nuys, suggesting the situation might be due to the war and would improve in normal times.

O'Mahoney declared that "not a single spokesman for life insurance has uttered a word in support of this bill." He said that Congress is not meeting its responsibility on insurance and that the committee could help in that respect.

"I don't believe we are in such a chaotic condition as to federal and state government," declared Van Nuys.

Referring further to Marks' report of last July, O'Mahoney said an extraordinary situation exists regarding the

interstate organization, that the companies consider underlying policies "as a means of satisfying local bureaus;" that the company's concern is with the master policy since that goes to the insured.

"If the assured finds he is defrauded or injured in any way he could bring suit in court in New York," said Austin.

"We all know very few people read fine print in an insurance policy," replied O'Mahoney. "A single citizen is at a great disadvantage." He quoted former Senator James Reed, Missouri, as saying "You can't fight a million dollars" and added "you can't fight a hundred millions. We are saying in this bill that little people shall be permitted to fight their own battles against big, organized groups without protection of the anti-trust laws."

#### Asks for Explanation

O'Mahoney insisted that the situation "is so extraordinary" as to "call for explanation by the I.U.B. The record is so tremendously interesting," he said, "that before this committee acts on this bill it ought to have examination made of every single agency set up by the insurance companies."

Mr. Williams, taking the floor briefly to reply to O'Mahoney, said that the Senator is "confusing two things: the report of the New York insurance department on the I.U.B. and the order to show cause." The states are continually examining the insurance boards and bureaus, Mr. Williams added.

Harlan Justice testified he was formerly in the insurance business and for 11 years has been connected with the West Virginia department. He read a two page statement giving the reasons why that office is opposed to the Bailey-Van Nuys bill.

Kilgore brought out that the "big bulk of West Virginia business is operated from outside the state," whether insurance, chemical, coal, oil, gas, etc. Justice estimated that chemical plants in the Monongahela Valley representing \$200,000,000 to \$300,000,000 are insured from outside the state, so far as he knew. He said the result of preferential treatment was "discrimination against business and property owners in the state."

Under the interstate system of handling the business, Justice estimated that instead of paying a dollar rate as filed, some concerns may pay only 5 or 10 cents. It distorts the system," he added.

"What is the remedy—federal law?" asked Ferguson.

"That is all I know of. It is impossible for the state to cope with the situation," replied Justice.

"What is wrong with it?" "The attorney general of West Virginia has told us the state has no power to regulate interstate business."

"You cannot go after a company in New York which throws its umbrella over West Virginia," suggested Kilgore.

Justice explained that in most states the governor appoints the insurance commissioner and the latter does not have time during his term of office to become familiar with insurance problems. If a commissioner would start in to rectify the situation, he added, it would take months to examine some companies.

"Do you think it could be done better by federal than state officials?" Ferguson asked.

"No, I don't want the Federal government messing with it," Justice insisted, adding, however, that "the system of business is changing. More business concerns are going on to a national or multiple-state operation basis

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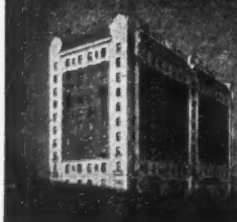
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and coming out into a hiatus where there is no regulation."

In response to a committeeman's question, the witness declared that "it would not accomplish anything to revoke a license." Kilgore suggested that such cancellations of life insurance company licenses would "deny insurance protection" to the citizens of West Virginia.

The witness said he believed the anti-trust law applies to interstate operations.

"Would you rather have 48 independent examiners than one in Washington?" asked Van Nuys.

"We don't want any in Washington," Justice replied. "We think if the anti-trust law applies to interstate rating it will help."

"You want Federal regulation of interstate business and state regulation of state business," Ferguson suggested.

Justice said a lot of companies pay a \$5 fee to license an agency in West Virginia to countersign one policy on an interstate concern.

"The federal government would have no jurisdiction over an offense of the character you speak of," said Austin, referring to man "defrauding, or avoiding or evading state laws."

"Our attorney general has said control is subject to Congress," replied Justice.

"Congress can't furnish you with another attorney general," remarked Austin.

O'Mahoney said the situation impressed him as might "Joe Louis matched with a bantam weight, the former having one hand tied behind him to make the conflict a little more even. Then somebody proposes to cut that bond," continued O'Mahoney. "The anti-trust law is the bond that holds the champion's hand behind him. This bill would cut that bond."

Kilgore announced that he may want to file a brief on the law of the situation. Van Nuys indicated this would be agreeable to him. He announced the record had been ordered printed.

In conclusion O'Mahoney suggested it would be "advisable for the committee to note what the National board has been doing about this legislation." He stated he wanted "opportunity to discuss that."

## Fidelity Mutual Plan for Agents

(CONTINUED FROM PAGE 1)

mission earnings not exceeding \$100 a year without additional contribution by the company.

On commission earnings of \$5,000 a year to age 65, the member and company each contributing 3%, the straight life annuity pension would produce \$1,837 per year for member whose entry age was 30; \$1,430 per year for member entering at age 35; \$1,083, age 40; \$787, 45; \$535, 50; and \$322, 55. If a member contributes 5%, these figures would increase to, respectively: \$2,372, \$1,852, \$1,407, \$1,025, \$700, and \$423. This is on the standard annuity mortality table with 3% interest.

### Provisions on Withdrawal

If withdrawal is due to death prior to commencement of benefits, the company will refund contributions with compound interest to a beneficiary or the estate. Interest applicable to contributions in 1944 will be 3%, and not subject to change on those contributions. The rate on contributions in subsequent years is to be the rate used to compute the paid up annuity.

If the member terminates his contract or withdraws from the plan after less than 10 years membership and prior to commencement of benefits, the company refunds his contribution without interest. If termination or withdrawal occurs after 10 or more years in the plan, the refund of contributions will be at compound interest. A mem-

ber who has ceased to make contributions for five years must withdraw if paid up annuities to his credit will produce less than \$120 a year at age 65. If a member before 55 becomes disabled the company will refund his contributions with interest, or, if 55 or over, the member can have his accumulated contributions provide an annuity certain to retirement date and at age 65 receive a paid up annuity purchased by the company's contributions. The company's contributions will be greater than those provided by the member because the company's contribution is not returnable at death prior to retirement age.

### No Expense Is Charged

While the basic annuity table and interest rate may be changed by the company, all contributions will be applied on the basis of net annuity rate without charge for management or other expense. The company will show in its financial statement as a liability the actuarial reserves, determined at the end of each calendar year.

The program is intended as a permanent one but the company reserves the right to change or discontinue the plan at its discretion. However, change or discontinuance would not impair or cancel retirement benefits nor rights created as to contributions made prior thereto.

The non-contributory portion of the plan consists of a benefit voluntarily purchased by the company on business issued prior to Jan. 1, 1943.

### Case of Manager's Personal Production

In the case of a manager it relates only to insurance personally written by him. The allowance will be computed at the rate of 50 cents per \$1,000 of such insurance in force 10 years or more and with respect to which he receives no other compensation. The insurance in force will include both premium paying and paid up insurance except that continued under a nonforfeiture provision because of premium default. In case of joint production the credit will be divided. This part of the plan is for full time agents who on Dec. 31, 1943, have attained age 65 or over. The requirements that must be met are: Full time agent for at least 10 years and still operating under such a contract; personal production for the company of at least \$500,000 after age 55, and at least \$500,000 insurance in force as of Dec. 31, 1943. However, an agent 65 or over who fails to meet these qualifications as of Dec. 31, 1943, may qualify on a subsequent Dec. 31, prior to 70. Agents who attain 65 subsequent to Dec. 31, 1943, must meet the same requirements plus one that if he is under 61 on Dec. 31, 1943, he will be ineligible for the non-contributory retirement allowance at 65 if he has failed to participate in the contributory plan. If 61 or over Dec. 31, 1941, business produced after Dec. 31, 1942, and prior to commencement of retirement allowance will be included for computing that allowance.

## Milwaukee Insurance Men Ponder 48-Hour Issue

Edmund Fitzgerald, vice-president of Northwestern Mutual Life, and James H. Daggett, vice-president of Old Line Life, attended the meeting in Chicago Monday morning at which the subcommittee handling problems related to the 48-hour week that has been decreed for Chicago effective Jan. 16, reported to a group of about 250 insurance employers. The 48-hour week has been decreed for Milwaukee, also effective Jan. 16. Mr. Fitzgerald and Mr. Daggett have assumed the leadership in handling the problem on an industry basis in their city and they desired to get first hand knowledge of what was being done in Chicago. The meeting there was very helpful to them and they will now proceed to appoint a representative Milwaukee insurance committee.

## Northwestern National Reports on Flu Epidemic

The present epidemic influenza has been identified as the regular biennial visitor, type A, according to the medical department of Northwestern National Life. It is a nuisance but so far not a killer. If the germ follows its usual pattern, the present epidemic should be pretty well cleared up in most parts of the country in another 10 days.

For the past decade, outbreaks of A-type flu have occurred each January in odd-numbered years, 1933, 1935, 1937, 1939, and 1941. Expected in January, 1943, the present epidemic arrived 10 months behind schedule, without apologies.

### Hits Suddenly and Spreads

Consistently, type A hits suddenly, spreads like a forest fire, and lays thousands of people low, but is not dangerous if properly taken care of, and the individual cases are usually of only a few days' duration. An epidemic of it usually lasts about a month.

While no one can say that this or any other flu epidemic could not quickly turn into a deadlier form of the disease, prevailing medical observation

## Ohio National Life Men See Fine Prospects for the Coming Year

LANSING, MICH. — Prospects for business in this territory in 1944 even exceed the 1943 record of exceptional volume, general agents of Ohio National Life agreed at their meeting here. The manpower prospect is the only present cloud on the horizon, it was said, a number of present agents being in danger of the draft unless more consideration is given to the father draft restrictions than so far has been observable in local selective service operations.

The current year has produced "much larger" business in the division than 1942, agents said, although home office representatives did not reveal exact figures on production. Present from the home office were John H. Evans, vice-president; Ray Hodges, superintendent of agencies, and Rey Dodson, assistant actuary.

is that so far there are no indications of such a catastrophe developing out of the current epidemic, Northwestern National reports.

## Holiday Greetings

## THE OHIO NATIONAL LIFE INSURANCE COMPANY

CINCINNATI, OHIO

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## EDITORIAL COMMENT

### Studying Regulatory Processes

Thinking people agree that when there is a suggestion such as giving the federal government control over insurance and eliminating state supervision, the proposed regulatory processes should be studied. Bureaucrats are very much in favor of more centralization in Washington and adding insurance to the long list of bureaus there. This would open the way for hundreds of employees and would give the government control over the vast insurance funds.

The question might be well asked what is to be gained by federal supervision otherwise than more uniformity which it must be admitted is desired. But it can be accomplished voluntarily to a large extent through the National Association of Insurance Commissioners.

An insurance bureau, if it were projected at Washington, would probably be controlled by four or five commissioners. The fate of policyholders, insurance companies, insurance producers and employees would therefore be in the hands of a small body of men. They often are motivated by political reasons. They are subject to pressure groups. People who desire to get information regarding insurance or who had a complaint would be compelled to rely on Washington. Every state department now has hundreds of appeals every week for information, complaints or suggestions. If all these were piled in one office, they would be overwhelming.

The people back home would much prefer to rely on their state commissioner who has time to give their pleas consideration and who is acquainted with the state conditions. Transferring

control to Washington would mean the hampering of all processes. The human element would be largely eliminated. The state commissioners have a local and state pride. They are acquainted with the person seeking special service or help or at least are friendly toward him. There is a personal element in state supervision that cannot be found in federal regulation.

Members of the National Association of Insurance Commissioners realize more than ever that if state supervision is to continue and be maintained, they will be largely responsible for it. They are doing much today to improve the conditions of state supervision. More can be done and should be done.

In studying the processes of regulation, it is interesting to see what the federal government has been able to accomplish, for instance with banks, public utilities and railroads. The states have made a far better record in many respects than the national government in their ways of regulation. The history of banking under federal control is a very sour one. Railroads certainly have not profited very greatly due to the exceedingly expensive and burdensome rules and tons of statistics.

Before deciding to place insurance under federal government control it would be well for those considering it give study as to what has been accomplished through federal regulation in other important industries. Some illuminating information no doubt could be secured. Concentration and regulation in bureaus tend to inflexibility, inefficiency, arbitrary methods and no sense of responsibility.

and a flair for picking men who would be successful agency heads. An agency vice-president's batting average in this respect was more likely to be high if he picked a good man and let him work out his own destiny than by trying to give him a blueprint to work from and seeing that he followed the company policy right down the line.

Many great agencies were built up in this way and though it is true that success was measured in terms of business volume rather than in persistency, quality of risks, or the number of career agents who were making a decent living, a high percentage of the tremendous volume of life insurance now in force was sold under this system.

As the urgency of getting millions of breadwinners insured and insurance-conscious yielded somewhat to the need of better sales methods, lower lapse and surrender rates and agents selected more carefully and less on a survival-of-the-fittest basis it was obvious to all forward-looking life insurance men that something should be done. It was an opportunity and a challenge to the agents themselves, the general agents and managers, and the home offices. The organized agents and the agency heads have done much to effect improvements but it was inevitable that the major part of the job would eventually land in the home office executives' laps. In the last analysis it is the company which pays the agent for bringing in the business and if the company is interested in anything more than volume of new business it is obviously necessary for it to state in its contract with its agents the basis on which it is going to pay off for all phases of his work.

That brings us to the real problem in changing over to a more modern basis of compensation. If the home office is going to specify what it will pay for and not pay for in the way of agents' activities then it must have a company-wide plan that is very close to being scientifically accurate. The difference between science and art is that one scientist can take the formula developed by another

scientist and reproduce the first scientist's results precisely. With art the individual skill of the artist eludes any formula that would permit of exact reproduction.

Thus, the present period of transition in life insurance agency operations appears to be much more than just a shift from one type of compensation to another or a sharing of the direction of agents' operations between the general agent and the home office. Though life insurance men are accustomed to looking at themselves as practical, the successful agent's success is much more of an art than a science. The same is true of the successful general agent or manager and the successful agency vice-president.

When the problem of basing agents' compensation on something besides volume was first tackled by the home offices it was quickly apparent that it would be necessary to lay down a pretty exact formula, to say to the agents, "Do this and this and this and you will become successful." It also became apparent that it was about as difficult to do this as it would be to take the average person and tell him that if he did thus and so he would become a sufficiently successful portrait painter to make a living at it.

Certain companies have made phenomenal progress in this direction and while perhaps no company will ever attain such a scientific basis that its formula can be applied without regard for the imponderables, these companies have definite, detailed plans for their agents. They have shown that while skill and intuitive judgment are still important assets in picking agency heads and agents it is no longer so necessary as was formerly believed to rely on individual brilliance working itself out in its own entirely individual way, whether in the agency department or in the field.

Reducing the art of salesmanship, the art of managing agents, and the art of selecting general agents or managers, to anything approaching a scientific basis is necessarily complicated and gradual in a major transition in any industry. It is business dealing with an intangible.

### Why Compensation Changes Take Time

To those unversed in the intricacies of agency operations it may seem odd that the job of changing over from the generally accepted basis of agents' compensation to one better suited to today's conditions should have to be such a complex, long-drawn-out affair, with lengthy conferences and committee meetings needed even to investigate the desirability of change. On the surface it would seem that it would be a rather simple matter for a company to set up a compensation basis for new agents and such of its old ones as cared to go over to it which would pay the agent for doing what the company wanted him to and discourage, by non-payment, the type of activities which the company wished to eliminate.

However, the conversion job, in fact, even determining whether conversion is desirable, is no simple task, largely because the pattern of agency operations has been for so many years quite different from what is being proposed and talked about for the future. Up to recent years the companies in the ordinary field, with rare exceptions, did not conceive it as their function to indicate in any definite way how the individual agent should run his business in order to become successful. In fact, the home office did not presume to tell its general agents and managers, except in general terms, how they were expected to operate. The outstandingly successful agency executive was primarily a man who had the invaluable attribute of personality

## PERSONAL SIDE OF THE BUSINESS

Dwight R. Peel, Kentucky supervisor of fire prevention and rates and assistant director of insurance for two years, has resigned and plans to devote his time to his agency at Benton, which Mrs. Peel has been managing. Commissioner Goodpaster resigned last week following election of Republican Governor Willis.

Foster A. Vineyard of Campbell & Vineyard, general agents of Aetna Life, has been elected president of the board of the Little Rock Boys Club.

E. O. Burget, president Peoples Life of Frankfort, Ind., who suffered an accident, breaking his leg, has been in bad shape and his family and friends have

been much concerned about him. However, he seems now to be making some progress.

Edward F. Kepner, assistant secretary of Indianapolis Life, has completed 25 years with the company. He is a member of the underwriting committee and of the home office committee on research. He prepares copy for many of the company's bulletins and aids in the work of business conservation. He is very popular with the company's field men because of his able cooperation in their work. Baseball has been one of his hobbies. He is in demand as a speaker on this subject and has an uncanny memory for details dating back



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"I'd like to talk to you about business insurance for my key man."

over many years. President Edward B. Raub paid him high tribute on his anniversary.

J. Logan Thayer, general agent of Occidental Life in Wichita, received the honorary 33rd degree of Scottish Rite Masonry and Harry W. Stanley, Equitable of Iowa general agent, the honorary K.C.C.H. degree at a meeting of Kansas and Oklahoma 33rd degree Masons in Wichita.

Mrs. Rene Denman, who has just been appointed unit manager in Portland, Ore., for California-Western States Life, formerly was a successful agent with Business Men's Assurance in Kansas City for about seven years.

W. D. McKewen has been presented a 35-year service bar by E. C. McDonald, vice-president in charge at Ottawa for Metropolitan Life. Mr. McKewen went to Ottawa in 1924 when the Canadian head office was established. He was promoted to his present position of personnel manager in 1931.

O. I. Hertsgaard, for many years with Mutual Trust Life in Minneapolis, has been reelected president of the northwest branch of the International League of Norsemen.

Richard L. Spangler, executive vice-president of the Woodmen companies,

has been elected a director of the Lincoln chamber of commerce, representing insurance interests. J. W. Kinsinger, general counsel of Midwest Life, was named director at large.

R. J. Portney, special agent of Massachusetts Mutual Life, St. Louis, has been commissioned a lieutenant (j.g.) in the navy and is attending the indoctrination school at the University of Arizona.

Ralph E. Lowenstein, St. Louis general agent of Massachusetts Mutual Life, and Mrs. Lowenstein are receiving congratulations on the birth of another son, Richard.

Dr. T. H. Dickson, medical director of Minnesota Mutual Life, has been reelected president of the St. Paul Y. M. C. A.

## DEATHS

John A. Gibson, 70, for 30 years with Prudential, died at his home in Oklahoma City. He retired from active business six years ago. At that time he was superintendent.

Roy F. Heinrich, artist of the historical pictures used by National Life of Vermont in its nationwide advertising, died from a heart attack in his studio in New York City. His Vermont historical pictures used by National Life were in demand for exhibits at art galleries in New York and New England and were shown in the Vermont building at the World's Fair in New York.

S. A. Wilson, who pioneered in Pennsylvania 40 years ago for Bankers Life of Nebraska, is dead. Recently he has been working out of the R. R. Burtner agency at Harrisburg, and during the Wilson anniversary month in November produced \$22,000 of new business.

Jay Earle Miller, 48, one of the leading reporters for the Chicago "Sun" and for six years prior to his connection with that newspaper advertising and publicity manager for Federal Life, died Tuesday in Passavant Hospital in Chicago following an operation.

W. F. Marriner, 63, died in New York after 38 years' service as supervisor of accident, health and disability claims for Metropolitan Life.

## NEWS OF THE COMPANIES

### W. L. Vogler Named Vice-president of American National

William L. Vogler, who since 1933 has been branch manager at Salt Lake City for American National of Galveston, has been elected a vice-president and assumes his new duties at the home office Jan. 1. He has been engaged in the life insurance business since 1921 and has been successful as agent, assistant manager and manager. He pioneered the business of American National in the Salt Lake City territory and has built an outstandingly successful agency.

He is succeeded as Salt Lake City manager by L. E. Baldwin, who has been a leading producer at Salt Lake City since 1939. Prior to entering the life insurance business Mr. Baldwin was vice-president of the Utah Power & Light Co.

### Hopton, Magorian Promoted

B. E. Hopton, director of the policyholders accounting and service division, and I. M. Magorian, purchasing agent, have been elected assistant secretaries of Ohio National Life.

Mr. Magorian joined Ohio National in 1934, and Mr. Hopton in 1933 as former agency secretary of Bankers Reserve Life. Mr. Magorian is a past president

of the National Office Management Association.

### E. L. French John Hancock Secretary

BOSTON—Elmer L. French has been elected secretary of John Hancock Mutual Life, succeeding Charles J. Diman, who retains the office of vice-president. Mr. French has been an assistant secretary for seven years and has been with John Hancock since 1912, except for two years' service in the former war when he was a pilot officer of the Royal Flying Corps.

### Many Outside Activities

Mr. French has served as company chairman of both the Greater Boston United War Fund Drive and the recent third war loan drive. He is a resident of Randolph, Mass., where he served as chairman of the school committee for two years.

Charles N. Ladd has been elected an assistant secretary. Mr. Ladd has been an assistant manager of the personnel department for 10 years and has been with John Hancock 24 years. He is a graduate of Harvard College, class of 1917 and served as a second lieutenant in the former war.

Mr. Ladd started in the employment bureau, was made manager of that bureau in 1927 and advanced to assistant



### The Story of the "Flying" Son

The boy is "the apple of his father's eye." He is turning fifteen. At first, his father thought, "This birthday, I will give him an insurance policy on his own life. This will begin an estate for him. Since he is young, the premium is small. It will always stay small. But the cash value will grow steadily." But then he thought, "Perhaps I should wait. After all, the country is at war. Will the policy protect him if later he goes to war and flies?"

"It will," his life insurance

agent told him. "My company insures your son's life as liberally now as before the war. His policy will be good if he fights or if he flies. But later he may not be able to get such liberal insurance."

That is why this father gave his son a life insurance policy as his birthday present.

QUESTION: Now which life insurance company will insure boys up to 15 years of age without in any way limiting their protection if they fight or fly in the future?

ANSWER:

### THE MUTUAL BENEFIT LIFE INSURANCE COMPANY

NEWARK, NEW JERSEY

### A Dependable Record



**DALLWIG Policy & Commission RECORD**  
Over 18 years the standard Policy Register for life underwriters of all companies.

P. G. DALLWIG NU: 12-24-43  
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manager of the personnel department in 1933.

Assistant Secretary Leslie Sanderson was made manager of the newly created industrial policy department, and Assistant Secretary Dana J. Kidder was made manager of the new ordinary policy department.

## Farmers & Bankers Capital \$1,000,000

Stockholders of Farmers & Bankers Life have authorized an increase in capital from \$825,000 to \$1,000,000. This is an increase of \$175,000 of which \$165,000 is provided by declaration of a stock dividend from surplus of 16,500 shares at par value of \$10 to be distributed proportionately among existing stockholders. The other \$10,000 comes from the sale of 1,000 new shares to home office employees.

This represents the second substantial increase in Farmers & Bankers capital in two years. At the end of 1941 capital was increased from \$275,000 to \$825,000 by a stock dividend from unrequired reserves. From other sources \$175,000 was added to surplus, bringing that item to \$675,000 and the combined capital and surplus to \$1,500,000.

Employees this year had the privilege of buying as many shares of stock as their annual salary bonus would pay for, thus effecting an equitable method of distribution. The purchase was not compulsory, and the employee could take his salary bonus in cash. However, practically all chose to take stock.

Howard J. Schenck, assistant supervisor in the claims bureau of Mutual Life, has been appointed security officer in the home office. He will be responsible for security of confidential claims information which might be of help to the enemy.

## Apologies to P. M. Estes of Life & Casualty



P. M. ESTES

THE NATIONAL UNDERWRITER, in its story on the anniversary of Life & Casualty of Nashville, regrets exceedingly failing to detect the error in the article with which it was furnished, to the effect that P. M. Estes is dead. Mr. Estes retired recently but is in excellent health. He did, however, suffer the loss of his wife on Nov. 30 and the error in the article is traceable to that fact. Mr. Estes has countless friends in the business.

Clayton Mammel, home office general agent of Farmers & Bankers Life, talked to the Wichita Junior Chamber of Commerce on "What Is Being Done on Cooperation of Catholics, Jews and Protestants."

## LIFE AGENCY CHANGES

### Elsie Matthews Manhattan Life General Agent

Manhattan Life has appointed Miss Elsie Matthews of Caldwell, N. J., as its first woman general agent. She will have headquarters in Montclair, N. J.

Although occasionally women have succeeded to general agencies previously headed by fathers or husbands, Manhattan Life officials believe this is the first instance in which a woman has been made a general agent directly by a major life company. Miss Matthews is well known as an author and speaker on life insurance subjects, as well as for her wide civic and business interests which have included real estate and investment banking. She is a life member and incumbent chairman of the Quarter Million Dollar Round Table and was chairman last year of the women's division of the N. A. L. U. She formerly was with the Ramsey agency of Connecticut Mutual Life in Newark.

The new Manhattan Life general agency offices will be located in the Madison building, 427 Bloomfield avenue, Montclair.



Elsie Matthews

the home office of Oregon Mutual Life. After three years there he went with Sun Life. Ten of his 15 years with that company were spent as office manager in Honolulu. While there he qualified for the C.L.U. designation and was chairman of the educational committee of the Hawaii Life Underwriters Association. Since 1941 he has been district manager at Boise, Ida.

### Prudential Promotes J. J. Wolff

John J. Wolff, an assistant superintendent at a New York district office, has been named superintendent at Yonkers, N. Y., for Prudential.

He joined Prudential in 1929 in the New York district. In 1933 he was made assistant superintendent.

## CHICAGO

### PROFIT SHARING PLAN

P. J. Kieffer, general agent in Chicago for Ohio State Life, is instituting a profit sharing scheme for his agents Jan. 1. Those producers who sell a stipulated volume of business will be entitled to participate in the profits of the agency including renewals and profits from the general insurance business in which the Kieffer agency is also engaged. A producer who meets the volume requirements becomes an associate general agent.

### EQUITABLE MEN PLAN FOR 1944

Production possibilities for 1944 were discussed at a conference of Chicago agents of Equitable Society in charge of Walter L. Gottschall, director of agencies. Howard O'Malley, supervisor of training, reviewed plans for the year; Raleigh Ross, Israel agency, opportunities for 1944; Gilbert Grimm, Reno agency, mortgage redemption; Cecil Alexander, Lustgarten agency, business insurance for small corporations; John Martin, Woody agency, effective self-organization. V. L. Bushnell, second vice-president, closed the session.

At a luncheon which followed Louis Behr, Lustgarten agency; Manager Samuel Lustgarten, Harry E. Wright, Woody agency; and Vice-President W. J. Graham spoke.

### GROUP SUPERVISORS' COMMITTEE

V. J. Barnett, chairman of the group supervisors' division of the Chicago Association of Life Underwriters, has appointed to the executive committee C. D. Hardie, Metropolitan Life; George Baldwin, Equitable Society; A. C. Rogers, John Hancock; John A. Churchman, Great-West Life, and Edward S. Tank, Travelers.

The committee met Monday to plan meetings for next year.

### Republic National Appointments

H. B. Duke, whose insurance experience dates back 20 years, has been named general agent at Corpus Christi by Republic National Life. Hal Lee, former general agent, resigned because of other interests, but retains an agent's contract.

J. M. Hollinshead, former general agent at Gladewater, has been named general agent at Sherman, with supervision in north Texas.

Fenton W. Morgan, an agent of 25 years' experience, has been named general agent at Waco.

Babel Painter of Gilmer, former representative of Republic National there, has been made general agent.

### Two Kansas Agencies Combined

Bankers Life of Des Moines has consolidated its Hutchinson and Wichita, Kan., agencies in charge of Manager J. A. Reinhart of Wichita. G. L. Spangenberg, who has been manager in Hutchinson more than 25 years, becomes service manager for western Kansas and will maintain his office in Hutchinson.

### Squires Kingston, Ont., Manager

Confederation Life has appointed E. M. Squires manager at London, Ont. With Confederation since 1934, Mr. Squires has been manager in Kingston, Ont., and Detroit, and acting manager in Calgary and Winnipeg.

### Coley Named in Chattanooga

C. Y. Coley, acting manager since the resignation of T. M. Divine, has been named manager of the Chattanooga agency of Volunteer State Life. Mr. Coley joined Volunteer State in 1941, as home office supervisor of agents.

### Names Raaberg at Santa Ana

Arthur L. Raaberg has been appointed general agent of Occidental Life of California at Santa Ana, Cal. A native of Washington, Mr. Raaberg majored in mathematics at Whitman College, Walla Walla. After experience with Standard Oil and then in the banking business, he became cashier in

## EXTRA-GOOD NEWS!

It's good news that there are General Agency openings available now in Iowa, Missouri, Nebraska and Arkansas with incentive pay contracts for the right men.

For further information write to:

AGENCY DEPARTMENT

# MUTUAL SAVINGS

MISSOURI'S FIRST WHOLLY MUTUAL LEGAL RESERVE COMPANY

*Life Insurance Company*

3207 Washington Boulevard, St. Louis, Missouri Allen May, President

# LIFE

## SELL THEM WHAT THEY WANT

# ACCIDENT

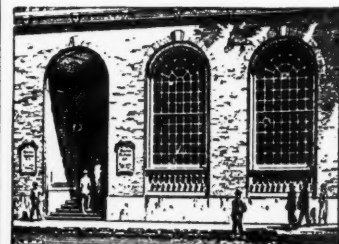
# HEALTH

Sell the public  
what it wants—

complete personal protection. You can build a good volume with the Federal Life and Casualty's accident—health—life protection for both men and women and juvenile life for children. Territory open in 30 states.

## FEDERAL LIFE AND CASUALTY CO.

DETROIT - - - MICHIGAN



### The Boston Mutual Life Insurance Co.

Fifty-second Year of Service to the People of New England. A Company of High Character and Standing.

JAY R. BENTON, President

Home Office, BOSTON, MASS.



## AGENCY MANAGEMENT

### Eisendrath Slated for N. Y. C. Managers President

NEW YORK—J. M. Eisendrath, Guardian Life, has been nominated for president of the New York City Life Managers Association. Other nominees are T. W. Foley, State Mutual, vice-president, and A. J. Johannsen, North-

tin, Aetna Life and R. L. Campbell, New York Life.

The nominating committee headed by H. A. Schmidt, New England, also nominated members of the four standing committees. Nominees for chairmen are as follows: Planning, Harry Gardiner, John Hancock Mutual; law and legislation, C. D. Connell, Provident Mutual; business practices, F. S. Goldstandt, Equitable Society; membership, A. V. Youngman, Mutual Benefit Life.

#### F. H. Haviland to Speak

F. H. Haviland, agency vice-president of Connecticut General Life, will discuss Connecticut General's use of salaries in recruiting. There will be a question and answer period after his talk. Members may bring as guests their assistant managers and people in the agency departments of their companies. Prompt reservations have been asked for on account of the food rationing problem.

### Trueblood Heads Los Angeles Group

LOS ANGELES — New officers elected by the Life Insurance Managers Association of Los Angeles are: President, Mark S. Trueblood, Union Central Life; vice-president, Edward Kelly, Metropolitan Life; secretary-treasurer, W. K. Murphy, Northwestern Mutual Life; directors, Ray Finger, Sun Life of Canada; John W. Yates, Massachusetts Mutual, and Russell L. Hoghe, Equitable Life of Iowa.

Dr. E. C. Farnham, executive secretary of the Church Federation of Los Angeles, speaking on "Thinking Al-

ing campaign in the daily papers had attracted attention nationally.

#### To Debate Federal Supervision

Following a brief business session, the Utah Life Managers Association, headed by President Carson E. Bechtel, attended a large citizens gathering to hear Eric A. Johnston, Spokane, president of the U. S. Chamber of Commerce.

C. C. Guilford, program committee chairman, announced as the principal feature of the Jan. 10 dinner meeting a debate on "State vs. Federal Supervision of Insurance Companies." W. A. Crowder, Bankers Life of Iowa, will champion the latter, and W. M. Jones, Business Men's Assurance, will present arguments for state supervision.

#### Krogue Is Spokane President

Karl K. Krogue, Business Men's Assurance, was elected president of the General Agents & Managers Club of Spokane at its annual meeting.

A gift was presented to Percy Cochran, retiring manager of Mutual Life. His successor, John L. Scripps, was a guest, as were R. D. Eller, newly appointed general agent of Pacific Mutual Life; Ben Freisen, new Spokane manager of California-Western States Life; and Fred C. Becker, Seattle manager of Great-West Life.

#### Panel Discussion in Richmond

Jesse A. Hood, Union Central, immediate past president of the Life Agency Managers of Richmond, gave an inspirational talk at the December luncheon-meeting, telling of the opportunities ahead for the life man. "Now is the time to get into the business and stay in it," he said.

Three-minute talks were made by William R. Gardner, John Hancock Mutual, on "Brokerage Business;" George King, Atlantic Life, "Settling Death Claims;" J. A. Blades, Metropolitan, "A Definite Work Plan;" Clifton Robertson, Prudential, "Selective Prospecting;" W. E. Davies, Mutual Benefit, "How I Handle a Discouraged Agent;" Vernon Chalkley, Reliance, "Recruiting With Definite Objective;" R. B. Proctor, Connecticut Mutual, "Training Office Personnel."

#### Chaney Speaks in Columbus

Homer C. Chaney, regional director of agencies and manager of the Cleveland office of New England Mutual Life, addressed the Columbus Association of Life Managers & General Agents on "Getting Ready to Do More in 1944."

#### Schmidt to Speak in Newark

H. Arthur Schmidt, general agent of New England Mutual in New York City, will address the Life Supervisors Association of Northern New Jersey at a luncheon meeting in Newark Jan. 11.

#### Summy Is Oklahoma Speaker

George Summy, Phoenix Mutual Life, spoke at a meeting of the Oklahoma General Agents & Managers Club in Oklahoma City on "Post-war Planning as It Affects Life Insurance and Agency Operation."

#### Hill Discusses 5% Rule

WASHINGTON, D. C.—Earl W. Hill of Acacia Mutual Life's legal department discussed life insurance sales under the 5% salary stabilization regulations before the Life Agency Cashiers Association of Washington. The next meeting will be held Feb. 12.

#### Nashville Managers Elect

The Nashville General Agents & Managers Association has elected J. Hugh Knox, Mutual Life, president; N. B. Moates, Union Central, vice-president, and R. G. Williamson, Business Men's Assurance, secretary - treasurer. Lewis W. S. Chapman, editor of Manager's Magazine of the Sales Research Bureau, spoke on "Plans for 1944."

## RAINBOW'S END

"Peace and rest at length have come,

All the day's long toil is past,  
And each heart is whispering  
'Home, home at last.'"

"When this war is over I'll be a better man than when I came into the Service. This is the place to learn things. Civilian life is going to seem very simple compared to this. You might tell the Gang that I wish that all I had was the problems they are confronted with each day. Tell them to put in a full day each day. Making a living selling life insurance is really a pleasure and they should realize it."

This was written home by "Babe" LeVoor of the Twin City Agency of the Bankers Life Company of Des Moines, on U. S. Navy duty abroad.

"Babe" played championship football at the University of Minnesota in 1934, 1935 and 1936 (all three years the Golden Gophers were undefeated) and was an All-Big-Ten quarterback. He worked his way through the University. He was a star salesman of the Twin City Agency. The war, terrible as it is, is teaching him to be a still better man.

\*\*\*

"I'll be back and when I do—look out. I'm through fooling."

This was written home by "Pete" Woodward, another ace salesman of the Twin City Agency, who came to the Bankers Life in 1936 and was a big producer. He's going to do still better when he comes back from fighting overseas.

\*\*\*

Scores of other letters, from life insurance salesmen fighting on land and in the sea and air, express similar sentiments. We who are fighting on the home front must keep that same faith while we wait with what patience we can.

We are fighting on a battleground at home, too; against inflation and unpreparedness for the new conditions that Peace will bring; and to keep the home world worthy of the men who preserved it on foreign battlefields. We are all enlisted.

\*\*\*

The Fourth War Loan campaign opens January 18th. The Bankers Life Company subscribed for a block of \$21,000,000 of War Bonds in the Third War Loan campaign. Counting this subscription, the Bankers Life now has a total investment of \$120,064,000 in U. S. Government Bonds.

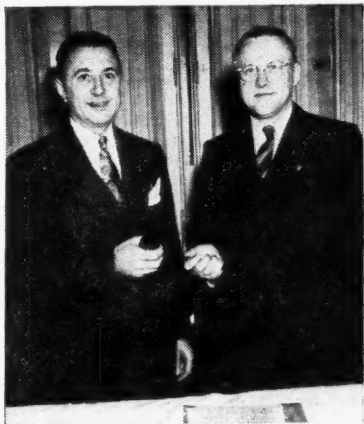
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**BANKERS Life**  
the Double Duty Dollar Company  
DES MOINES



J. M. EISENDRATH

western Mutual, secretary-treasurer. The election is scheduled for Jan. 21. Nominees for directors are Lloyd Patterson, Massachusetts Mutual; J. M. Fraser, Connecticut Mutual; G. V. Aus-



Russell L. Hoghe (left), retiring president of the Life Insurance Managers Association of Los Angeles, passes the gavel to the new president, Mark S. Trueblood.

lowed," said new emergencies of life are constantly arising; that discoveries of new possibilities for action are being made and that science has brought about vital changes in conditions.

#### Review 48-Hour Situation

Harold G. Saul, John Hancock, chairman of the public relations committee, reviewed the part the committee had taken in the W.M.C. 48-hour work week directive conferences.

Walter J. Stoessel, National Life of Vermont, chairman of the business practices committee, reported that no complaints had been made to the committee relative to violations of the code of ethics.

Mr. Hoghe, as retiring president, reviewed the activities of the association, pointing out that in the past six years it had won first prize in the national contests four times, had won the first prize for metropolitan associations once and had been given honorable mention once, and that its newspaper advertis-

You all know:  
"When they're  
satisfied—they stick."  
The quality of service  
Guardsmen render  
policyholders is  
reflected in our lapse &  
surrender ratio.

**Guardian Life**  
Insurance Company

Home Office, Madison 1, Wisconsin

## LEGAL RESERVE FRATERNALS

### New Lutheran Brotherhood Agents' Contract

Lutheran Brotherhood has adopted a new agency contract in an effort to solve the problem of agents' compensation while at the same time placing a premium on greater sales activity and achievements as well upon service work which in turn will improve persistency of business.

A minimum of \$25,000 production a year is required to qualify for the added compensation and renewals; for less than \$25,000 only first year commission is paid and no renewal. For \$25,000-\$50,000 two renewals are paid, for \$50,000 and over, three renewals. Renewal commissions are based upon 75% persistency. For each five points increase in persistency over that figure the commission renewals are increased 10% and for each five point decrease below 75% the renewals are decreased 10%. No renewals whatsoever are paid where a persistency is less than 50%. Renewals on 100% persistency basis are 30% second year and 22½% each the third and fourth year.

To encourage secured cash settlements with application, an additional 1½% but not over \$1 per \$1,000 is paid on life and endowment forms but not on advance premium payments or single premiums.

#### Example Is Given

On whole life age 30, \$1,000, the first year commission of agents selling less than \$8,000 basic yield is \$8.05; for \$8,000 to \$16,000 total volume one-third or \$2.68 per \$1,000 is added for a total \$10.73; for \$16,000 and over two-thirds is added or \$5.36 for total commission of \$13.41 per \$1,000. On 20 year retirement plan the corresponding figures are: Under \$8,000, \$12.50; \$8,000 to \$16,000, \$16.63; \$16,000 and over, \$20.76. These

two forms represent the lowest and highest first year commissions per \$1,000 on permanent forms of insurance. Commission payments continue on the scale the agent establishes and maintains. If he qualifies for top first year commissions he continues to get the top scale so long as his production remains above \$16,000 a year.

No regular commission is paid on juvenile policies until they are converted to adult department at age 16 or 18. In the interim they are term contracts. For less than 10 juvenile cases commission is \$1.50; for 10 to 20, \$2; 20 to 30, \$2.50; 30 or more, \$3. If the agent qualifies for renewals on adult plans he will receive renewals on juvenile of 50 cents each for the second, third, fourth and fifth years. On continuation of juvenile term policies as adult insurance at ages 16 or 18 the agent receives an additional renewal equal to the difference between the amount paid out and the regular first year commission.

#### Retirement Plan Set Up

Agents may qualify for a retirement contract if they have received commissions exceeding \$500 for any calendar year. At the agents election, and by means of application, Lutheran Brotherhood will deduct 5% at the end of each calendar month from his commission earnings and will add 2½% to this amount, and for each subsequent year that the agent's commissions exceed \$500, Lutheran Brotherhood's contribution will be increased .25%. The agent may choose annuity settlement options to commence whenever he wishes.

Juvenile insurance is excluded from the main plan as well as waiver of premium, payor clause, added indemnity, but there is included on the total amount of decreased insurance at \$1,000 for each unit, family incomes benefit, whole life economic and term plans, not exceeding one-quarter of the respective first year or other renewal agency year amounts of insurance for the agency year. Deferred annuities are credited under the plan on the basis of \$1,000 for each \$100

of annuity premium.

Under the new plan agency year follows the calendar year instead of starting April 1. Under the new system general agents will be known as "contractors."

### Aid Association Now Ranks 57th in Size, Benz Reports

APPLETON, WIS.—Directors of Aid Association for Lutherans at the annual meeting elected Henry Kahnert, St. Paul; C. G. Steinwedel, LeRoy Stohlman and Herbert Voecks, Appleton, as trustees. E. F. Engelbert, Baltimore; Otto C. Rentner, Chicago, general counsel, and Mr. Kahnert were reelected directors.

President Alex O. Benz reported Aid Association now ranks 57th in size among all life companies and fifth among fraternal. As of Oct. 1 the society had \$52,000,000 assets, and insurance in force in excess of \$259,000,000.

#### Trostrud Assigned to West

Royal League has assigned Alex Trostrud, public relations director, temporarily to institute activities among members in California. He plans to arrange entertainment at the west coast service men's center and radio stations. Mr. Trostrud has had three years' experience in southern California.

He and his wife will make their headquarters at his daughter's home in North Hollywood, Cal., during his five weeks sojourn.

#### Appeal for Members in N. Y.

The New York Fraternal Congress is conducting an aggressive membership campaign. At present there are 39 member societies and there are about as many more licensed in New York that are not affiliated. To the latter the congress is making a special appeal based on the idea that every fraternal society should maintain an active membership in the congresses of all the states in which they operate. It is pointed out that the state congresses represent the fraternal benefit system rather than only the affiliated societies and those that do not belong derive the same benefits as those that do. Accordingly those that receive the benefit should share in the responsibilities and be willing to assume their share of the cost.

## ASSOCIATIONS

### Freedom from Dependence Held Main Desire of People

JACKSON, TENN.—"It is not freedom from want and fear that independent American citizens desire, but freedom from a condition of dependence," Dr. Gus Dyer, Nashville economist, declared before the Jackson Association of Life Underwriters. He was introduced by Commissioner McCormack.

Any movement to insure "freedom from want and fear is the Utopian dream of communists and socialists and antagonistic to American ideals of independence," he declared.

"The insurance companies do not promise to take care of anybody. They are American organizations. Their great purpose is not to take care of people, but to provide a plan by which American citizens in all walks of life may take care of themselves, and hold up their heads as independent sovereign citizens."

### Provides Stabilizing Effect on all Forms of Business

NASHVILLE—With terminations at the lowest point since 1900 when records were started, life insurance is bound to exert a strong stabilizing influence on all business after the war, Lewis W. S. Chapman, Sales Research Bureau, told the Nashville Association of Life Underwriters. The "dollar power" of life insurance not only purchases war bonds, but also renders a powerful overall aid

in winning the war and maintaining morale on the home front through its financial investments in all types of public institutions, utilities, office buildings, educational and training facilities.

Referring to the current threat to state supervision Kimbro Dunlap, president Nashville association, declared that "in the coming years you will have reason to depend more and more on your national, state, and local associations to preserve your jobs for you."

Guests included Commissioner McCormack, T. E. Miles, deputy commissioner, and A. M. Burton, president Life & Casualty.

#### Chapman in Birmingham

L. W. S. Chapman of the Sales Research Bureau spoke on "Planning for Progress" at a special meeting of Birmingham, Ala., life agents and managers.

#### Women's Importance Stressed

INDIANAPOLIS—Women are taking an increasingly important place in life insurance as buyers, sellers and beneficiaries, Frederick J. Stevenson, associate manager Equitable Society in Pittsburgh, told the Indianapolis Association of Life Underwriters.

"Wartime employment of women and other increased opportunities for well-paid employment have created a large market for life insurance service among women," Mr. Stevenson asserted. Not many years ago women comprised about 10% of life insurance buyers while today they represent 25%.

There is a trend toward life insurance as an investment, Mr. Stevenson pointed out. The widespread interest in security for old age has also created a market for life insurance incomes to supplement social security minimums. The increased importance of key men in business and industry under wartime pressure has resulted in a trend toward life insurance to indemnify corporations and other businesses against the loss of such key men.

Northern New Jersey—Due to a death in his family, Holgar J. Johnson, president Institute of Life Insurance, was unable to address the meeting last week and James E. Rutherford, executive vice-president N.A.L.U., took his place, speaking on the bond sales of life underwriters throughout the country.

Saul Vortrefflich, assistant manager of the home office ordinary agency of Prudential, has been elected treasurer, succeeding Fred Mersilius, Sun Life of Canada, resigned.

Commenting on the Institute of Life Insurance, Mr. Rutherford said that the attitude of the American public toward insurance depends largely on what it knows, and what it understands of what it knows about this business. Through informing the public in understandable and believable language exactly what life insurance is and does for the individual and the American way of life, the Institute is serving the American public and helping to build acceptance of the business the companies and the agency forces, he said.

Cedar Rapids, Ia.—The chairman of the program committee, Ray L. Short, conducted two panel discussions in which members participated. Reed C. Nelson and Howard Brown led the discussion on "Life Insurance as a Profession." Mr. Nelson traced the evolution of marketing life insurance from the peddler to the salesman to the professional manner and Mr. Brown emphasized the advantages of membership in the organization as a means of promoting the higher ethics of the business and building prestige for the institution of life insurance.

The panel discussion on "The Outlook for Life Insurance in 1944" was opened by R. H. Pickford, who enumerated the new markets for life insurance which would be available in 1944 as a substitute for the group which is now in the armed service. R. O. Bickel concluded with a number of up-to-the-minute sales

### POST WAR "PUZZLE"

### POST WAR "PLUM"

#### We don't know

- ... just exactly what day the war will end.
- ... what a loaf of bread will cost on Victory Day.
- ... how many strange new post war problems will arise to plague America.

#### We do know

- ... that every day finds Victory just that much closer.
- ... that there will be millions of hungry mouths to feed, regardless of the price of bread.
- ... that the *unstinted* purchase of war bonds and life insurance *now* can lessen the new problems that will follow in the wake of Victory.

Furthermore, we realize that there will always be a lot of work . . . both in peace and war . . . for the alert Underwriter—service that will bring satisfaction and profit. Fidelity representatives are conscious of these unlimited possibilities and are facing 1944 with confidence, with their sleeves rolled up, ready for action.

## FIDELITY LIFE ASSOCIATION

Founded 1896

FULTON, ILLINOIS

LIFE

ACCIDENT

DISABILITY

HOSPITALIZATION

## PROTECTED HOME CIRCLE

SHARON, PA.

FOUNDED IN 1886

### A Legal Reserve Fraternal Insurance Society

S. H. HADLEY, Supreme President

L. D. LININGER, Supreme Secretary

SHARON, PA.

### THE WOMAN'S BENEFIT ASSOCIATION

Founded 1892

A Legal Reserve Fraternal Benefit Society

Bina West Miller  
Supreme President

Frances D. Partridge  
Supreme Secretary

Port Huron, Michigan



approaches and ideas. He also expressed the opinion that possibly 1944 would find agents meeting a new type of competition if the improving war situation again makes consumer goods available to the public.

**Des Moines**—Dix Teachener, Kansas City, million dollar producer of Kansas City Life, spoke on "How to Sell Life Insurance Easier," emphasizing the importance of plenty of prospects, the use of term insurance and good service. "Business goes where it is invited and stays where it is well treated," he declared. Frank McCormick, membership chairman, emphasized the importance of the "Renew in December" membership drive.

**Hartford**—Progress of the National association was reported by President Herbert A. Hedges. Wilbur W. Hartshorn, who is retiring as national secretary, having been promoted from Hartford manager to superintendent of agencies by Metropolitan Life, was made an honorary member. In presenting the motion, John H. Thompson, Connecticut Mutual general agent, stated Mr. Hartshorn had made an outstanding contribution to the Hartford association. Plans for a membership drive in charge of P. R. Stewart were launched. C. W. Wyatt, Boston general agent of John Hancock and National association trustee, spoke.

**Buffalo**—William J. Kreish, Prudential superintendent, has been elected a director following the resignation of Chauncey D. Cowles, Jr., director to 1945 and treasurer. Herbert G. Vogt, Mutual Benefit, has been elected treasurer.

Claude C. Jones, general agent Connecticut Mutual, has been appointed national committeeman to succeed W. Merle Smith, manager Mutual Life.

**Minneapolis**—Howard DeVries, chairman of the coordinators' committee, conducted a sales clinic at the December meeting. He was assisted by W. H. Arveson, Art McMillan, Frank Brunkow, Stanley Grove and Frank Dillon. The girls' chorus of Northwestern National Life provided music.

**Minnesota**—A mid-winter sales congress will be held in St. Paul the first week in March. President John J. Steger expects to have the program complete early in the new year.

**Los Angeles**—Edward Choate of the Hays & Bradstreet agency of New England Mutual Life addressed the forum on "One Man's Philosophy." He gave a condensed version of the address he delivered before the Million Dollar Round Table in Pittsburgh.

**Wilmington, N. C.**—E. L. Matthews has been elected treasurer to succeed William L. Callum, who has resigned to accept a position in Baltimore.

**Gastonia, N. C.**—Charles L. Gibbs, agency director, and Joe E. Josephs, special agent of New York Life in Charlotte, were guest speakers at a breakfast with 25 in attendance.

**Rochester, N. Y.**—Edward Pearson, supervisor in the field training division of Metropolitan Life, told the members to stop and ask themselves where they were going; what they wanted in life, and what it would take to attain these goals.

"You must determine," he said, "wherein you are weak and set about to strengthen these weaknesses. Break the big objectives down into small parts and plan to overtake them day by day. The successful man is one who has programmed his work toward a realization of his goal, and then has proceeded to live out his plan."

**Muskegon, Mich.**—L. J. Evans, assistant director of agencies of Northwestern Mutual Life, spoke last week on "Looking Ahead into 1944" from the viewpoint of the life underwriter. He gave an optimistic view of the prospects for life insurance selling during the coming year and a favorable picture of the post-war era.

**Mobile, Ala.**—Gordon E. Eillison, ordinary supervisor and instructor of Life of Virginia, spoke at the December meeting. He demonstrated an actual interview, showing how he closes business, with policies in the last seven years averaging over \$4,000.

**Birmingham, Ala.**—After-war planning occupied attention at the December meeting, with Milton H. Fies, district chairman of the Committee for Economic Development, as the principal speaker. He told of the survey being conducted by that organization to determine the after-war needs of industry and commerce in converting to peace-time operations.

## NEWS ABOUT LIFE POLICIES

### Equitable Single Premium Forms on 2½%

Action has been indefinitely postponed by Equitable Society on any general change in the premiums or interest basis or mortality table underlying regular annual premium policies. However, due to the special influence of current conditions on single premium life and single premium endowment policies, premiums and surrender values on such forms will be changed from 3% to 2½% basis, effective Jan. 15. These policies will also contain modes of settlement based upon 2½% interest instead of 3%.

In several months, at a date to be announced later dependent upon preparation, filing and approval by the states, other Equitable policy forms will be changed with respect to modes of settlement from 3% to 2½%. This change will correspondingly alter the premium per unit of income benefit upon contracts directly payable in installments.

### DIVIDEND DETAILS

More details on Equitable Society's 1944 dividend scale have been announced. Increases vary with plan, issue age, duration and class. A new factor has been introduced for policies con-

taining additional indemnity benefits issued at current rates adopted in 1935. On these policies the basic 1944 dividend will be increased after the first policy year and during the premium paying coverage period by 25 cents per \$1,000 of additional indemnity benefits. Policies issued prior to 1932 with disability income benefits will continue to receive less dividends.

In most instances policyholders will receive larger dividends in 1944. Under participating annuity contracts dividends are increased on recent issues, including immediate annuities issued after July 1, 1938, and deferred annuities issued after Dec. 17, 1938. For older issues the 1943 scale is continued.

As in 1943, no excess interest dividends will be allowed on 3% participating settlements of policy proceeds. On proceeds left on deposit subject to withdrawal under Option 1 (b), excess interest of .5% (total 2½%) will be continued. Dividend deposits will be accumulated at the guaranteed rate of 3% as in 1943 but there will be no excess interest dividends. Examples of cash dividends per \$1,000 of insurance on policies without extra features follow:

ORDINARY LIFE									
Year	1943 Scale	1944 Scale	Increase	1943 Scale	1944 Scale	Increase	1943 Scale	1944 Scale	Increase
	Issue Age 20			Issue Age 40			Issue Age 60		
2	\$5.59	\$6.30	\$0.71	\$6.86	\$7.61	\$0.75	\$8.29	\$8.98	\$0.69
3	5.81	6.56	.75	7.06	7.81	.75	9.29	10.12	.83
4	6.03	6.80	.77	7.27	8.03	.76	10.30	11.20	.90
5	11.67	12.52	.85	14.25	14.98	.73	19.28	20.16	.88
10	7.12	7.94	.82	8.09	8.86	.77	15.24	16.37	1.13
15	7.33	8.68	.85	8.27	9.81	.54	18.31	19.58	1.27
20	8.18	8.85	.67	8.98	9.35	.37	21.12	21.97	.85
20 Year Total	141.02	156.57	15.55	159.65	170.65	11.00	201.80	321.99	20.19
TWENTY PAYMENT LIFE									
	Issue Age 20			Issue Age 40			Issue Age 60		
2	\$6.05	\$6.82	\$0.77	\$7.31	\$8.11	\$0.80	\$8.48	\$9.20	\$0.72
3	6.33	7.13	.80	7.56	8.37	.81	9.51	10.37	.86
4	6.60	7.43	.83	7.82	8.60	.78	10.55	11.48	.93
5	12.70	13.60	.90	15.27	16.05	.78	19.74	20.64	.90
10	7.89	8.74	.85	8.97	9.62	.65	15.59	16.75	1.16
15	8.62	9.47	.85	9.50	10.15	.65	18.53	19.85	1.32
20	9.03	9.62	.59	10.62	11.06	.44	20.52	21.41	.89
20 Year Total	155.35	171.07	15.72	178.69	191.23	12.54	305.22	326.11	20.89
TWENTY YEAR ENDOWMENT									
	Issue Age 20			Issue Age 40			Issue Age 60		
2	\$5.61	\$6.47	\$0.86	\$7.61	\$8.46	\$0.85	\$8.84	\$9.57	\$0.73
3	5.99	6.90	.91	7.93	8.79	.86	9.89	10.76	.87
4	6.35	7.29	.94	8.25	9.10	.85	10.92	11.89	.97
5	11.78	12.78	1.00	15.95	16.81	.86	20.57	21.49	.92
10	7.99	8.90	.91	9.76	10.50	.74	16.02	17.21	1.19
15	8.77	9.59	.82	10.72	11.48	.76	18.92	20.26	1.34
20	9.24	9.68	.44	12.30	12.82	.52	20.50	21.41	.91
20 Year Total	155.15	171.05	15.90	196.30	210.54	14.24	312.31	333.72	21.41
3% LIFE CONVERTIBLE (OPTION A)									
	Issue Age 20			Issue Age 40			Issue Age 60		
2	\$6.01	\$6.77	\$0.76	\$7.50	\$8.32	\$0.82	\$9.42	\$10.25	\$0.83
3	6.28	7.09	.81	7.78	8.61	.83	10.59	11.58	.99
4	6.55	7.38	.83	8.07	8.87	.80	11.75	12.83	1.08
5	12.62	13.52	.90	15.70	16.53	.83	21.96	23.00	1.04
10	7.83	8.67	.84	9.35	10.03	.68	17.22	18.56	1.34
15	8.56	9.40	.84	10.04	10.73	.69	*2.14	*2.14	...
20	8.95	9.56	.61	*1.47	*1.47	...	*2.33	*2.33	...
20 Year Total	154.13	169.85	15.72	153.31	169.88	11.57	186.04	198.99	12.95
*On Paid-up Basis.									
RETIREMENT INCOME (MALE AT 65)									
	Issue Age 20			Issue Age 40			Issue Age 50		
2	\$5.26	\$6.00	\$0.74	\$7.13	\$7.97	\$0.84	\$9.22	\$10.02	\$0.80
3	5.83	6.62	.79	8.09	8.98	.89	11.11	12.10	.99
4	6.09	6.90	.81	8.43	9.31	.88	11.83	12.96	1.08
5	11.32	12.22	.90	15.62	16.52	.90	21.52	22.55	1.03
10	7.33	8.17	.84	10.06	10.84	.78	16.51	17.78	1.27
15	8.05	8.90	.85	11.15	11.95	.80	20.58	22.02	1.44
20	8.43	9.05	.62	13.00	13.55	.55	...	...	...
20 Year Total	143.62	159.30	15.68	201.74	216.66	14.92	*223.75	*240.53	*16.83
*15 Year Total.									
TWO YEAR TERM									
	Issue Age 20			Issue Age 40			Issue Age 60		
2	\$2.59	\$2.94	\$0.35	\$2.08	\$2.39	\$0.31	\$1.00	\$1.07	\$0.07
FIVE YEAR TERM									
	Issue Age 20			Issue Age 40			Issue Age 60		
2	\$2.61	\$2.96	\$0.35	\$2.16	\$2.46	\$0.30	\$1.73	\$1.81	\$0.08
3	2.77	3.16	.39	2.31	2.63	.32	2.42	2.63	.21
4	2.94	3.35	.41	2.46	2.77	.31	3.11	3.41	.30
5	5.84	6.20	.36	4.74	4.96	.22	4.27	4.45	.18

ANNUITIES ISSUED AT CURRENT RATES									
First Year Dividends Per \$100 of Annual Income					First Year Dividends Per \$10 of Monthly Income				
Issue Age	1943 Scale	1944 Scale	Inc.	Refund	Issue Age	1943 Scale	1944 Scale	Inc.	Refund
50	\$11.01	\$11.22	\$0.21	\$9.56	20	\$3.28	\$4.07	\$0.79	...
60	11.15	11.37	.22	8.92	30	4.43	5.49	1.06	...
70	11.18	11.39	.21	8.18	40	6.08	7.54	1.46	...
80	10.50	10.72	.22	7.34	50	8.58	10.64	2.06	...
*Female age 5 years older.									

## New Non-Par Rates for Sun Life

Sun Life of Canada has announced new non-participating rates and dividends, effective Jan. 3. Non-participating limited payment and endowment plans with premium paying periods of less than 20 years are being discontinued. Premium rates on all other non-participating limited payment life and endowment plans are being increased.

Premium rates for non-participating ordinary life, convertible term and the life anticipated dividends plan are unchanged, and no change is being made in the guarantee values for any non-participating plan or life anticipated dividends plans.

The family income benefit with income periods of 10, 15 or 20 years is available in conjunction with non-participating life plans and the life anticipated dividends plan. No change is made in the additional family income premium. The new rates and anticipated dividends are:

Age	20 Pay Life	25 Pay Life	30 Pay Life	Life P. U. 60	Life P. U. 65	20 Year End.
10	\$21.90	\$18.77	\$16.76	\$13.17	\$12.78	\$45.72
11	22.27	19.09	17.04	13.50	13.09	45.76
12	22.65	19.41	17.33	13.84	13.40	45.79
13	23.04	19.74	17.63	14.20	13.73	45.82
14	23.43	20.08	17.93	14.58	14.08	45.86
15	23.83	20.42	18.23	14.96	14.43	45.88
16	24.23	20.76	18.54	15.37	14.80	45.91
17	24.64	21.12	18.86	15.80	15.18	45.93
18	25.06	21.48	19.19	16.24	15.58	45.95
19	25.50	21.85	19.53	16.72	16.00	45.98
20	25.95	22.24	19.88	17.22	16.45	46.01
21	26.38	22.61	20.22	17.72	16.89	46.02
22	26.83	23.00	20.57	18.25	17.36	46.03
23	27.29	23.39	20.93	18.81	17.85	46.05
24	27.77	23.81	21.31	19.42	18.37	46.08
25	28.26	24.24	21.71	20.06	18.92	46.11
26	28.78	24.69	22.13	20.75	19.52	46.17
27	29.32	25.17	22.57	21.49	20.15	46.24
28	29.88	25.66	23.03	22.25	20.82	46.32
29	30.47	26.18	23.51	23.10	21.54	46.42
30	31.07	26.71	24.01	24.01	22.30	46.53
31	31.66	27.24	24.50	24.96	23.07	46.62
32	32.28	27.79	25.03	25.98	23.91	46.74
33	32.92	28.37	25.58	27.09	24.78	46.88
34	33.59	28.97	26.15	28.29	25.73	47.04
35	34.27	29.59	26.75	29.59	26.75	47.21
36	35.06	30.31	27.45	31.07	27.92	47.47
37	35.87	31.06	28.18	32.68	29.17	47.76
38	36.70	31.83	28.94	34.43	30.50	48.07
39	37.56	32.63	29.74	36.34	31.93	48.41
40	38.46	33.49	30.59	38.46	33.49	48.79
41	39.38	34.36	31.46	.....	35.16	49.19
42	40.32	35.27	32.38	.....	36.95	49.62
43	41.32	36.23	33.36	.....	38.93	50.09
44	42.36	37.25	34.39	.....	41.08	50.62
45	43.46	38.32	35.50	.....	43.46	51.21
46	44.58	39.43	36.64	.....	.....	51.82
47	45.74	40.59	37.86	.....	.....	52.49
48	46.97	41.83	39.15	.....	.....	53.22
49	48.26	43.14	40.53	.....	.....	54.02
50	49.61	44.52	42.00	.....	.....	54.90
51	51.04	46.00	43.57	.....	.....	55.86
52	52.55	47.57	45.25	.....	.....	56.91
53	54.14	49.25	47.03	.....	.....	58.06
54	55.83	51.03	48.94	.....	.....	59.31
55	57.62	52.94	50.98	.....	.....	60.68
56	59.52	54.97	.....	.....	.....	62.18
57	61.54	57.15	.....	.....	.....	63.81
58	63.85	59.49	.....	.....	.....	65.59
59	66.00	61.99	.....	.....	.....	67.54
60	68.47	64.67	.....	.....	.....	69.66
61	71.11	.....	.....	.....	.....	71.98
62	73.95	.....	.....	.....	.....	74.51
63	77.01	.....	.....	.....	.....	77.27
64	80.30	.....	.....	.....	.....	80.40
65	83.84	.....	.....	.....	.....	84.00

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### FRANK M. SPEAKMAN

CONSULTING ACTUARY  
 Associate  
 E. F. Higgins  
 THE BOURSE PHILADELPHIA

(CONT FROM PRECEDING PAGE)

Age	25 Yr.	30 Yr.	35 Yr.	40 Yr.	45 Yr.	50 Yr.	55 Yr.	60 Yr.	65 Yr.
33	36.74	30.51	26.52	23.88	21.85	20.69			
34	36.95	30.79	26.88	24.22	22.18	21.02			
35	37.18	31.10	27.27	24.59	22.55	21.39			
36	37.52	31.52	27.78	25.05	23.01	21.85			
37	37.85	31.97	28.32	25.56	23.52	22.36			
38	38.27	32.45	28.91	26.09	24.05	22.89			
39	38.69	32.98	29.55	26.68	24.60	23.42			
40	39.17	33.56	30.25	27.31	25.17	23.99			
41	39.67	34.19	30.99	28.00	25.86	24.68			
42	40.21	34.85	31.79	28.75	26.60	25.42			
43	40.82	35.59	32.67	29.56	27.40	26.23			
44	41.48	36.40	33.63	30.43	28.27	27.09			
45	42.20	37.28	34.67	31.37	29.21	27.99			
46	42.97	38.22	35.76	32.38	30.21	28.94			
47	43.81	39.24	36.95	33.45	31.28	29.94			
48	44.72	40.35	38.23	34.59	32.42	31.00			
49	45.72	41.56	39.61	35.79	33.63	32.12			
50	46.82	42.87	41.10	37.15	34.91	33.30			
51	48.01	44.29		38.59	36.27	34.54			
52	49.31	45.83		39.19	37.70	35.84			
53	50.73	47.50		40.91	39.31	37.29			
54	52.27	49.30		42.75	41.00	38.89			
55	53.95	51.25		44.71	42.87	40.54			
56	55.77			46.80	44.89	42.34			
57	57.75			49.01	47.05	44.29			
58	59.91			51.34	49.35	46.39			
59	62.24			53.89	51.80	48.64			
60	64.77			56.66	54.41	51.05			

## RECORDS

United States Life—A six weeks' "election" campaign ended Nov. 15 resulted in a substantially increased production. Brainard & Black, Honolulu general agency, produced 144% more than quota; Dascit Underwriters, Inc., was second, James F. MacGrath agency third, and the New York branch office fourth.

Bankers Life of Iowa passed \$850,000,000 mark in life insurance in force in November, with a total of \$851,916,938 at the end of the month, including \$20,967,107 group.

Ordinary life paid for the first 11 months totaled \$62,581,245, a gain of 14% over 1942. The gain in ordinary insurance in force for the 11 months was \$31,135,607. Group insurance paid for in the 11 months was \$13,037,466, and the gain in force \$8,403,990.

Bankers Life, Nebraska—As of Dec. 1 new business written and paid for totaled \$16,699,700, with the possibility that the year's total will exceed \$18,000,000.

Security Mutual Life, Nebraska—New business written to date exceeds \$6,000,000, an increase of 50% over last year, and the largest in the company's history. This business was produced by 25% fewer men in the field than in 1942.

## IN U. S. WAR SERVICE

Thomas Lucking, who was one of the leading producers of the Russell L. Hoghe agency of Equitable Life of Iowa in Los Angeles, representing the agency at Santa Barbara, Cal., and who now is in the navy on duty in the Pacific, has been promoted to lieutenant commander.

Robert Burnett, from the home office of Republic National Life, a bombardier in raids over Germany through most of 1943, was shot down over Germany September 6. In December official sources reported his escape from the German prison camp and safe internment in Switzerland. At the same time, a medal for heroism in action was presented to his mother in Dallas.

First Lieut. M. J. Farrell, former home office employe of General American Life, who has been group navigator, mapping and directing bombing missions against Germany from a base in the Mediterranean area, has received the air medal and three oak leaf clusters.

Capt. Charles H. Heyl, on leave from his post as agency director of Bankers Life of Nebraska, has been transferred from the artillery, in which he was being trained in the San Francisco area, for training in AMG work. He is now at Fort Custer, Mich., receiving

## Dividend Action for 1944 Is Presented

Dividend action taken by 53 companies for 1944, of which 39 show no change, is shown below, along with interest payable on proceeds, withdraw-

able and non-withdrawable, left with the company, and the rate paid on dividend accumulations in behalf of the policyholders:

Company	1944 Scale in relation to 1943	Policy Proceeds Non-Withdrawable	Withdrawable	Divl. Accu.
Aetna	No change	3.0%	3.0%	3.0%
Beneficial	No change	2.5	2.0	3.0
Boston Mutual	No change for Ordinary; increase for Industrial	2.5	2.0	2.5
California-Western	No change	3.0	3.0	3.0
Connecticut General	Approx. 5 1/2 % increase	3.4	3.4	3.25
Continental American	No change	3.25	3.25	3.25
Country	No change	3.0	3.0	3.0
Equitable, N. Y.	Approx. 12 % increase	4.0	4.0	4.0
Equitable, Can.	No change (tentative)	3.0	3.0	3.0
Expressmens Mutual	No change	2.5	2.5	3.0
Federal Life	50 % increase	3.25	3.25	3.25
Fidelity Mutual	No change			
Girard Life	Scale set back one year on 3 1/2 % policies; Adjust. for 3 % policies	3.5	3.5	3.5
Great Northwest	No change	3.5	3.5	3.5
Guardian, N. Y.	No change			
Home, N. Y.	Revised scale; aggregate payments higher	3.0	3.0	3.0
Imperial, Can.	No change	3.3	3.3	3.3
John Hancock	No change	3.0	3.0	3.0
Lafayette	No change	3.0	2.5	3.5
Lincoln Liberty	No change	3.0	3.0	3.5
London Life	No change	3.75	3.5	3.5
Lutheran Mutual	No change			
Manufacturers	No change			
Midland Mutual	No change	3.0	3.0	3.0
Midwest	No change			
Monarch, Mass.	No change	3.25	3.25	3.0
Mutual Benefit	No change	3.75	3.5	3.75
Mutual, Canada	No change	3.3	3.3	3.3
National, Vt.	No change			
National Masonic	No change	3.25	3.25	3.25
New England	No change			
N. W. Mutual	Adjusted scale; generally decreased	3.4	3.15	...
Occidental, Calif.	No change except no Div. paid on paid-up life or endowments			
Ohio National	No change			
Postal Union	No change	3.5	3.5	3.5
Presbyterian Min.	No change	4.0	4.0	4.0
Provident Mutual	No change	3.25	3.25	3.0
Savings Bank, Conn.	No change			
Seranton	No change			
Security L. & A.	New scale adopted Aug. 1, 1943, on 3 % business			
Shenandoah Life	New scale adopted Nov., 1943, on 3 % business			
State Farm	No change	3.5	3.5	3.5
State Mutual	Adjusted scale	3.5	3.0	3.0
Sun, Maryland	No change			
Sunset Life	15 % increase	3.0	2.0	3.0
Teachers I. & A.	No change			
Union Central	No change (tentative)			
Union Labor	Approx. 5 % decrease			
Victory, Kan.	No change	3.0	3.0	3.0
Wisconsin Life	No change	3.0	3.0	3.0

Guaranteed rate of interest is payable if greater than rate shown.

training in military government and civil affairs in the occupied countries.

George B. Cook, manager of the bond department and also supervisor of eastern agencies for Bankers Life of Nebraska, has received a commission as lieutenant (j.g.) in the navy and is in training in Chicago. He is a son of Dan W. Cook, vice-president of the company.

## NEW YORK

### JEWISH CHARITIES' ANNUAL DINNER

A large and representative group attended the annual dinner of the insurance division of the New York and Brooklyn Federations of Jewish Charities. Milton Berson, general insurance chairman, and M. M. Goldstein, life insurance chairman, were both ill and in their absence Clarence Whitehill, co-chairman for general insurance, presided. C. M. Loeb, Jr., chairman special gifts committee, was guest speaker.

### MIDTOWN MANAGERS' ELECTION

R. L. Campbell, New York Life Vanderbilt branch office, was elected president of the Midtown Managers Association at its annual meeting, succeeding S. S. Wolfson, Berkshire Life. Other officers elected are: D. T. Hersch, Security Mutual, vice-president, and L. W. Sechtman, Aetna, secretary-treasurer. Following the business meeting, the annual Christmas party was held, arrangements for which were made by T. W. Foley, State Mutual.

The Little Gem gives cash values on over 1,000 ordinary contracts. \$2.50 singly from National Underwriter.

## Mutual Life Will Test Value of Radio Advertising

To test the value of radio as a means of promoting its business, Mutual Life has initiated a 13-week program over stations in four of its agency cities. The program, consisting of five-minute dramatic sketches, is entitled, "The Wounded Don't Die." It will run three evenings a week, and is intended to acquaint radio listeners who have relatives or close friends in the service with the excellent medical care service men are receiving. Test cities represent the far west, middle west, south and the industrial east.



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For the first nine months of 1943 the average first-year commission value per reply was \$12.62.

By encouraging the prospect to consider his needs and indicate his immediate insurance objectives, The Guardian Prospect Bureau approach makes for time-saving selection of prospects and an early mutual understanding between prospect and Agent.

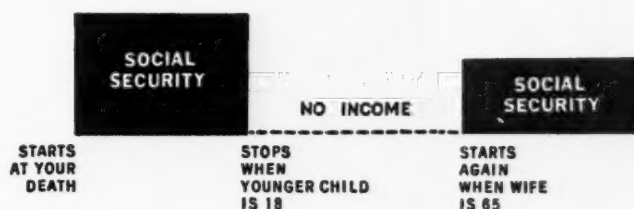
**THE GUARDIAN LIFE**  
INSURANCE COMPANY OF AMERICA  
New York City

A Mutual Company

Established 1860

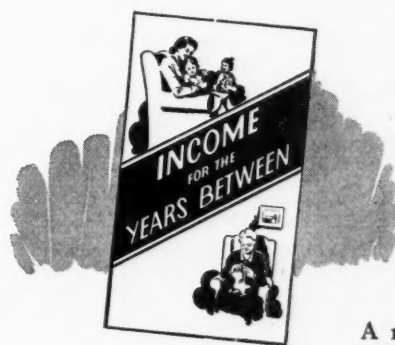
GUARDIAN OF AMERICAN FAMILIES FOR 83 YEARS

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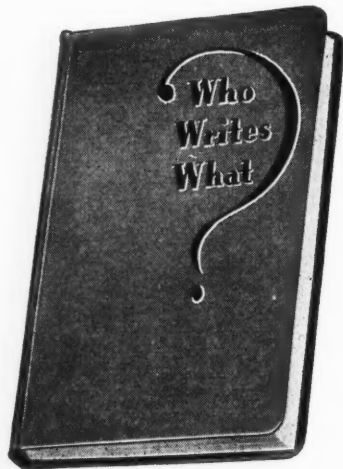
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